ation work on these the works. The letter on

Supper was addressed to

is the Brezz gallery in h

the signers has had

mee sold tilm tights for Peritage Entertaine

m the company free

H. M. WEIG A SAN SAN

when they climbed in

The found has be

He had to the part

Mar have non - was

Best in their see the

to so this one lay

s grafes michigan 🗗

Site May and Tal take

taineral travelle day

M. Warwick, Dean Sping Herb Alpert

A SINGLE OF THE SECOND

All Carpenter St. 12

THE SHE STORY CONTRACTOR

has a true the poly

almost to the ter

September und mig

and his proceed was

1 de 20 1 1 2 mars 1815.

for a same the

desert autor de

the for a second of the

Section in State

क देशकी जाए के ह्यूट

13 13 N + 11 K + 12 E

Water and the second

4 1 1 2 2 2 3 2 3 E

EDI CATION

FOOLS AT

TUFFS UNIVERS

Landerdor progression negli distributi processi il progressi il progre

FOCUS AT TURE

,617) 200-E10

....

BOTH TOUR BOTH A

PRESENT AND THE

(1) (1) (2) (2) (1) (2) (2) (2)

A REPRESENTATION OF THE PARTY O

TO ALL THE STATE OF THE STATE O

Pogo 15

FOR MORE

CLASSIFIED!

AMERICA

5.H00l

IN SURRE

- ,

And Fred 1st

Chicago Constitution

1.5

in a second

With the Love Kar

Ferry Doors Were Probably Open



Survivors of the ferry disaster, wearing donated garments in place of their ruined clothes, arriving Simday at a mortuary in Zeebrugge, Belgium, to identify bodies of victims.

A Sloshing Scramble to Survive The Rescued Recall the Melee After the Sea Rushed In

By Francis X. Clines New York Times Service
BRUGES, Belgium — In the aftermath of the British ferry disaster, dozens of survivers wandered the halls of the Novotel here, drying their clothes on the balcony rails, weeping into the arms of newly arrived loved ones, fearing for

"I'm so proud of this one," a: ruddy-faced man exclaimed out in the hotel's corridor, hugging his daughter with a teary, wide smile that showed his front teeth had been knocked out on the ferry.

Some passengers, missing close friends, admitted ambivalence over their own renewed joy in life.
"I got away scot free," said Miles

Southgate, a 30-year old carpenter standing sadly in his socks in the lobby. There are people who are dead. I've soffered a little cry, that's

There had been no fitting of a collision felt Priday night in the crowded lounge aboard the Herald of Free Enterprise, and this made it all the more frightening when the starboard wall rose up to become that was, like looking into an the ceiling and people clame there aquarium," he said. "Right before the ceiling and people chang there aquarium," he said. "Right before before planeing 40 feet (12.2 me that, when the tilting began, I re-

"They came flying down, tumbling on top of me, screaming," face."

said William Cardwell, a port-side

And the man soon was up, not we come!"

tween Britain and the Continent:
"Here we come, here we come, here we come!" said William Cardwell, a port-side
passenger, who estimated the boat
listed 90 degrees in 30 seconds. "I of lights, said Mr. Southgate, re-

LATE NEWS

Shamir Rejects



ON PAGE 5

Maritime specialists say the roll-on, roll-off type of car ferry becomes unstable quickly if flooding reaches

■ Tales of beroism aboard the stricken vessel seem likely to etch themselves in Britain's national memory.

A deck above, Mr. Southgate felt the same terror when, puzzled at the boat's not quickly righting itself, he realized that the port-side window next to him in the top-deck saloen was looking out from under sea water, and not upon the horizon visible seconds before.

"You can't imagine how strange

to stay alive. "Something was radi- had been found.

Some, like Brian Simpson, a 40year-old sergeant in the British Army, were at the hotel bar, happily raising a glass to life. "I had just death bought a pint and it slid off the 135."

Nearby, a soggy group of young men who were well beyond a first ters) down into ocean water that member seeing a man smiling at me heard often on the ferryboats be-MEDICE MA Trushed through the boat. across the room, amused, I sup-tween Britain and the Continent:

"There I was trapped in an air

Water Entered Through Bow; Toll Put at 135

By Peter Maass

ZEEBRUGGE, Belgium - The bow doors of the Herald of Free Enterprise were probably open before the British ferry capsized, officials said Sunday. Fifty-three of the 543 passengers and crew members were killed and 82 are missing and presumed dead.

Belgian government officials and representatives of Townsend Thoresen, the company that operates the vessel, said the doors, which are opened in port to allow cars and trucks to drive onto the vessel, may not have been closed as the 7,951ton ferry left this port Friday night. It was presumed that water rushing in through the bow caused the vessel to beel over onto its port side vithin a minute.

Some of the officials said the doors are left open to allow exhaust fumes from the cars and trucks to scape from the vehicle hold.

However, they pointed out that the doors are nearly 10 feet (about meters) above sea level, so it would be difficult for water to enter the ship under normal circum-

"Every time when the vessels leave the harbor the doors are open," said Valère Vautmans, chief of staff for Belgium's minister of public works. He asserted, however, that it would be "impossible" for water to come in unless the

ocean was very rough.

When the ferry tilted over on its port side about five-eighths of a mile (1 kilometer) from Zeebrugge, the weather was calm. The boat, built in 1980, was starting a regular run to Dover, a journey that normally takes four hours.

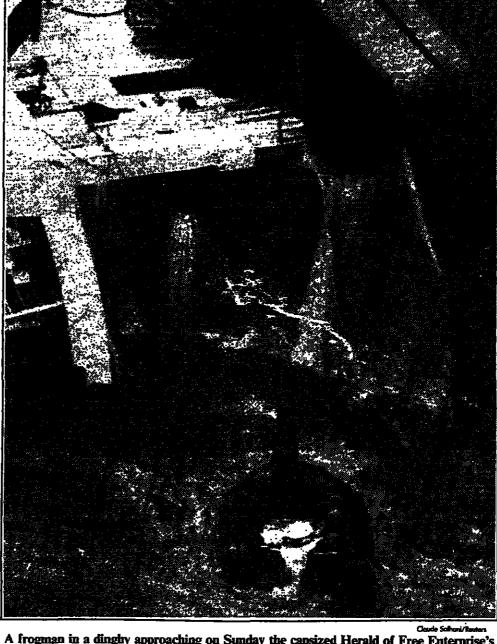
Officials said there were 463 passengers, mostly British tourists and truck drivers, and 80 crew members on board, making a total of 543. By Sunday night, 408 of them were thought I was going to die, it was calling his own sloshing scramble alive and on shore, while 53 bodies

The 82 missing persons are presumed dead, trapped in the wreck of the ferry, which lies on a sandbar in about 32 feet of water. The total death toll is thus tentatively put at

mans said.

He and other officials indicated round of drinks began an ironic that the bow doors were the focus in the aftermath of the disaster. However, it appeared that something else happened to initially let water through the doors.

Mr. Vantmans and a port official See FERRY, Page 5



A frogman in a dinghy approaching on Sunday the capsized Herald of Free Enterprise's open bow doors, which were covered with nets to prevent the escape of the ferry's cargo.

Congressional Investigators to Decide On Immunity for Poindexter, North

WASHINGTON — The chairmen and ranking Republican memhers of the congressional select contra affair will meet Tuesday to table," he said, recalling the mo-ment of disaster in the ferry lounge. someone is still alive." Mr. Vaut-to key witnesses, the Senate majorleader, Robert C. Byrd of West

Virginia, said Sunday. Mr. Byrd said in a television inlect committees of the Senate and

missed as a National Security

Council aide. Both men have avoided testifying by invoking their Fifth Amendment constitutional right against self-incrimination.

"I think at some point use immu-

Funds from a tax-exempt foundation were sent to an account used by North. Page 3.

House of Representatives are mov-nity will have to be granted," Mr. ing toward granting limited immu- Byrd said. "The timing and the nity for Rear Admiral John M. circumstances will determine that." Poindexter, a former national secu- Use immunity prevents a witness's rity adviser, and Lieutenant Colotestimony from being used in a rence E. Walsh, is responsible for nel Oliver L. North, who was dis- criminal prosecution against him.

Mr. Byrd said that he had spoken with Senator Daniel K. Inouye, a Hawaii Democrat who is chairman of the Senate panel, who had told him "that if the proper definitions and proper conditions are placed on use immunity, that the committee would not be jeopardizing the work of the independent counsel."

The Senate Republican leader, Bob Dole of Kansas, who appeared Mr. Byrd on the t program, said, "I think we've another ambassador in country X. reached the point where the committee needs to make that judg-

The independent counsel, Lawprosecuting any criminal charges arising from the affair.

■ Reagan Implication Feared Bob Woodward and David Hoffman of The Washington Post report-

ed earlier from Washington: A source close to President Ronald Reagan said Saturday that if Admiral Poindexter does testify, the White House anticipates that he "will say he had direction and authority, directly or indirectly" from Mr. Reagan. The admiral's testimony could

be damaging to the president's con-tention that he was unaware that proceeds of the Iran arms sales went to aid the Nicaraguan rebels, the source said. Sources also said that the new White House chief of staff, How-

ard H. Baker Jr., is appalled by the absence of serious legal efforts to protect President Ronald Reagan in the Iran-contra investigations and has ordered a detailed internal effort to gather all the available

Mr. Baker has assigned the task to the incoming White House coun-sel, Arthur B. Culvahouse Ir., who, according to one source, has been working "around the clock, day and night, inundated." Mr. Baker told Mr. Culvahouse that "his immediate mission" is to assemble a complete picture of the White House role in the affair, according to another source.

According to sources involved in Iran-contra investigations, the White House has not taken necessary legal steps to protect its interests, nor identified the documenta-See IMMUNITY, Page 7

For Moscow's Youth, It's the Rockers vs. the Lyubers

gained new stature among investors. Personal Investing, Pages 9-12. GENERAL NEWS ■ The United States appears

ready to approve aid for Pakistan despite a dispute over its nuclear program. Page 2.

In Poland, a debate has broken out about anti-Semitism during World War II. Page 7.

portedly said that the consortium has four firm customers for the A-340 jet. Page 13. Ecuador faces further economic problems after earthquakes paralyzed production and exports of oil. Page 13.

Iran, Syria Near Crisis In Dispute Over Shiites

By Ihsan A. Hijazi over Iran's support for militant with Syrian troops enforcing secu-

rity measures in West Bearut. Consultations were reportedly under way to head off a crisis in relations between the countries. The Syrian military intervention

in Beirut, at the request of top Leb-anese Moslem officials, came after The Iranians have expressed concern that activists of the pro-

Iranian Hezbollah, or Party of God, may be suppressed and dis-armed by the Syrian Army, which has so far stayed clear of Beirut's southern suburbs where the faction the Syrians stormed the Hezbollah is headquartered. In a speech in Tehran on Friday, the Iranian president, Ali Kha-menei, warned against what he

young pions forces were to be de-prived of their weapons who would defend Lebanon and the Islamic forces against Israeli aggression?"
He urged President Hafez al-Assad of Syria to punish the Syrians who killed 23 Hezbollah members last mouth in Beirut and said that

Syria's prestige "might be tar-The state-controlled Damascus radio, in what was seen as a reply to Tehran, said Saturday that those who carried firearms in Beirut under the pretext of fighting Israel had turned them against innocent

Lebanese civilians. The Damascus radio, monitored in Beirnt, did not mention Iran by name but criticized what it called "external powers" that have spoken against the security plan in

West Beirut Syrian soldiers, in the latest arisen from Lyubertsi's underground weightprove to tighten security in the pre- lifting rooms. Lebanese capital, hard continuous formal includes, caning incorporate at the opening and incorporated in the last 48 hours.

Lyubers, who roam Moscow, sporting an anya Gazeta.

On at least two occasions in recent weeks, confiscated in the last 48 hours.

White shirts and skinny black ties, terrorizing officials say, hundreds of Moscow teen-agers.

In response to the Ogonyok article, one newspaper Literature and the opening in response to the Ogonyok article, one newspaper has set up a telephone hot line for teen-agers to discuss their problems. The Communist Party has organized peace par-

Police sources said the measure was a precaution against hit-and-

Iranian ambassador arrived in Beirut on Saturday to take up his post. He was welcomed by Hezbollah members in the mainly Shiite southern suburbs.

been cleared of militiamen. Meanwhile, there has been no

confirmation from the police or any other source of a report in an Arab newspaper that two West German hostages were killed when

See BEIRUT, Page 7

By Bill Keller

New York Times Service

gymnasium hidden beneath an apartment

half-dozen teen-agers are pumping iron.

homemade squat bars and leg weights, to the

These young men and their suburb have

become a Moscow sensation since a popular

weekly magazine, Ogonyok, asserted that a

beat of pop music from a boom box.

LYUBERTSI, U.S.S.R. - In a jerry-built

hippies, punks and other young noncon-formists. have gathered near reported Lyuber hang-outs, spoiling for a fight. leys among groups of young people and has begun a campaign to provide more accept-

The authorities condemned the article as sensationalism, and the body-builders say tice that was circulated in Moscow secondbuilding in this eastern Moscow suburb, a they are up to nothing more menacing than ary schools, calling on students to gather for emulating Arnold Schwarzenegger, whose a showdown. Local devotees of the rock White, well-muscled bodies strain at the pictures are pasted to their basement walls. music genre known as heavy metal signed a But in a city where the rumor is a highly petition saying: "We, Moscow metalists, de-developed mass medium and suspicion of the clare war on the Lyubers throughout the city official version of any story is habitual, the and district. The press has already given the Lyuber story is widely believed. It has pro- Lyubers their due. Now it's our turn."

voked, among other reactions, fascination learsome gang of teen-age vigilantes had and social introspection. "Throughout Moscow, there is a rustle of V. Goncharev of the police was quoted as move to again a serious for the dominantly Moslem part of the domi rumors: Lyubers, Lyubers," said Yuri Shehe- saying last week by the newspaper Sovetska-

outs, spoiling for a light.
"We will defend Moscow," declared a no-

The police prevented a clash Feb. 22 "only

or the weekly cultural newspaper Literaturnaya Gazeta.

In response to the Ogonyok article, one
newspaper has set up a telephone hot line for
on at least two occasions in recent weeks,
officials say, hundreds of Massay

able outlets for youthful energy, such as new

sports clubs and discotheques. The controversy has lent urgency to a debate about what is happening to a restless generation of Soviet youth, and where the

official system failed to satisfy their needs. Ogonyok, which is affiliated with the Communist Party daily newspaper Pravda, published the Lyuber article in early February. Weaving together interviews with members of various young cliques — both the Lyubers and those who said they had been victimized - the writer, Vladimir Yakovlev, painted a portrait of a vigilante movement with unmistakable neo-fascist leanings.

See TOUGH, Page 7

والوالوليسية والمستقل والمناف والمحافظ والمنافية

Shultz Hopeful On Arms

Cites Progress At Geneva on Specific Goals

By David K. Shipler

New York Times Service PALO ALTO, California - Secretary of State George P. Shultz said that enough progress had been made recently in the Geneva arms talks to provide hope that his discussions in Moscow next month can make headway on cutting the number of long-range nuclear weapons in half as well as on eliminating medium-range missiles in

Mr. Shultz, speaking with reporters Saturday as he flew from Jan-n to the United States, gave the most optimistic assessment of the arms negotiations since the summit

meeting in October at Reykjavik. He said that after months of delay, Soviet negotiators had begun to translate the broad ideas presented in Iceland into specific positions in Geneva. He noted, for example, that if procedures for onsite inspection were agreed upon for a treaty banning medium-range missiles, they could also be used in a treaty reducing long-range strate-

Mr. Shultz declined to confirm reports that the Russians had re-laxed their previous rejection of any testing outside the laboratory of components of a space-based missile defense system. His silence on the point was taken as an indication that this was one of the areas

The missile defense plan envisions a technological breakthrough that would enable the United States to destroy ballistic missiles from space. At the Reykjavik meeting. Mikhail S. Gorbachev, the Soviet leader, insisted that a ban on testing such a system must be included in any treaty reducing stra-

egic nuclear weapons.
Shortly afterward, Soviet officials were quoted as saying informally that Moscow might agree to some testing. But for months, Soviet negotiators said nothing about

this in Geneva. "The Soviets have a technique of bargaining," Mr. Shultz said. "This bargaining process, so to speak, takes place across a wide spectrum of activities, and they have an amador in country X speak to he passes along something to the American ambassador,

"Or they invite visitors who aren't in the government," Mr. Shultz continued, "and they give See SHULTZ, Page 7

Academics Urge End To Apartheid

JOHANNESBURG — Twentyseven academics at one of South Africa's most influential universities have urged President Pieter W. Botha to scrap apartheid and commit itself to power-sharing with blacks.

The academics from Stellen-bosch University, the intellectual cradle of the ruling National Party, issued a statement Saturday saying they could no longer refrain from making known their concern at the stagnation of apartheid reform.
Also Saturday, Willem de Klerk,
brother of South Africa's minister

South Africa has severely restricted the reporting of unrest or dissent. Correspondents may be fined or imprisoned for failing to submit to censors articles that contravene regulations.

of national education, Frederik W. de Klerk, announced he was resigning as editor of the Afrikaans-language Sunday newspaper Rapport, Mr. de Klerk, 58, cited interfer-

ence by the National Party in the content of the newspaper, which has taken a more critical stance toward the government than other Afrikaans newspapers.

The criticism from two sectors of the Afrikaner establishment could damage the National Party as it prepares for a May 6 general election for whites.

Already, several National Party members have resigned to protest the pace of reform. Three former party members, including South Africa's former ambassador to Britain, Denis Worrall, are running as independents in the election.

The Stellenbosch academics, including 23 professors, said they were convinced that the "the process of negotiation about the accommodation of all - particularly black -- South Africans in the decision-making process is seriously retarded by the government's hesitance to issue signs of hope." Whites, Indians and mixed-race

"Hippies, punks and metalists shame the people are represented by separate

See SHARE, Page 7

Pollard Probe JERUSALEM (AP) — Prime Minister Yitzhak Shamir strongly opposed Sunday investigating the spy scandal involving Jonathan Jay Pollard. Some cabinet ministers had demanded an official inquiry. But Mr. Shamir said the government had dismantled the

unit that employed Mr. Pollard and that meant "such rogue op-

erations will not be carried out

any more in the future." SPECIAL TODAY

The South Chino Morning Post Hong Kong's market has

Americar. Topics is on Page 4.

BUSINESS/FINANCE Airbus representatives re-

New York Times Service was a precaution against hit-and-BEIRUT — A dispute has broken out between Syria and Iran common in the city before the 7,000 Syrian troops arrived last Shinte Moslems who have clashed month.

In another development, a new

Hezbollah gunmen left West Bei-rut after 23 of their members were ferocious battles between rival mi-killed by Syrian soldiers last litiamen. Syria is Iran's main Arab month. They relocated in the ally, supporting Tehran against southern suburbs. Since the arrival fraq in the Gulf war.

stronghold. Al-Ittihad, which is published in the United Arab Emirates, said that the two captives, Rudolf Cordes and Alfred called runnors that Hezbouan mean bers were to be stripped of their weapons. He asked, "If these weapons forces were to be deWelt said the two were being held west."

The report came 24 hours after the West German newspaper Die Welt said the two were being held. at the Iranian Embassy in West

In Tokyo, Pummeling the Prime Minister

A Japanese housewife hits an effigy of Prime Minister Yasuhiro Nakasone during a demonstration Sunday against a proposed sales tax. The banner on the effigy reads "Liar Prime Minister." The government had promised not to introduce a large indirect tax during last year's election campaigns.

In Asia, Shevardnadze **Encounters Questions About Soviet Credibility**

By Michael Richardson International Herald Tribune

SINGAPORE - The Soviet foreign minister, Eduard A. Shevard-nadze, has encountered credibility problems in his efforts to expand relations with non-Communist countries in Southeast Asia and the South Pacific. Mr. Shevardnadze ended the

portion of his Asian tour devoted to non-Communist countries on Sunday. In his six-day tour of Thailand. Australia and Indonesia he tried to underscore Moscow's readiness to improve relations.

But credibility problems were evident in Indonesia over the Cambodian conflict and in Australia over Soviet offers of fishing and commercial deals to small South Pacific

Both issues are regarded in the region as important tests of Soviet sincerity. Doubts about Moscow's intentions inhibit improvement in

Mr. Shevardnadze's visit to Australia, a U.S. ally, was the first by a Soviet foreign minister. In Indonesia, it was the first such visit since the government of President Suharto took power in the late 1960s, ending close ties with the Soviet Union and China.

Shortly after Mr. Shevardnadze left Jakarta on Sunday, the Indone-sian foreign minister, Mochtar Kusumaatmadja, said the Soviet foreign minister had not made any

new proposals on Cambodia. Mr. Mochtar, who earlier had complained about the lack of "concrete results" from the visit, said "serious differences" were blocking progress toward a Cambodian set-

He said Mr. Shevardnadze would convey the views of Indone-

By Alan Cowell

attempt to improve their ties.

In a speech to agricultural coop-

erative members on Saturday, Mr.

Papandreou criticized U.S. offi-

edly depicting Turkish troops in

northern Cyprus as playing a de-fensive role. Turkey invaded the

"This is something which we are

not prepared to accept without

strongly protesting," he said. Mr. Weinberger had planned to

visit Greece later this month. Last

week, however, Greek and U.S. of-

ficials said the visit had been post-

In his speech Saturday, Mr. Pa-

DEGREE

SACHELOR'S . MASTER'S . DOCTORATE

Send detailed resume for free evaluation.

PACIFIC WESTERN UNIVERSITY

College Credit for

Work Experience

Call for no-

(213)278-1094

Egm a bachelor, master, doctora

UNIVERSITY

pandreou accused Washington of

island in 1974.

ATHENS - In his sharpest crit-

Greece Criticizes U.S.

Over Policy on Turkey

icism of the United States in favor of Turkey, a proportion that

months, Prime Minister Andreas gives Greece, a smaller country Papandreou accused Washington with a smaller army, a per capita

Papandreou accused washing advantage.

of lavoring Turkey over his country advantage.

However, Mr. Papandreou said,

of America relay facilities unless the purported imbalance were reofficials had told him that Turkey

tended in part to counter criticism ca relay station, which helps trans-

by political opponents of his for-eign policy, seemed a marked re-verse in what Greece and the Unit-Greek government will sign an

cials, including Defense Secretary
Caspar W. Weinberger, for report-

Analysts said the Socialist prime minister's comments, seemingly inminister's comments, seemingly inminister's comments, seemingly in-

bodia and Vietnam.
Other members ASEAN are Bru-

nei, Malaysia, the Philippines, Sin-gapore and Thailand. Mr. Shevard-nadze began his swing through the region on March 2 with a five-hour visit to Bangkok for talks with Thai officials.

Mr. Mochtar said that whether Soviet relations with ASEAN improved would depend on what hap-pened after Mr. Shevardnadze's

At a banquet for the Soviet foreign minister on Friday, Mr. Mochtar said Southeast Asia's biggest security problem was Vietnam's military presence in Cambodia.

He called on Moscow to make "more concrete contributions" to end the conflict there.

But at a press conference on Saturday, Mr. Shevardnadze appeared to rule out an attempt by the Soviet Union to use its extensive aid and close ties with Vietnam, Cambodia and Laos as leverage to resolve the Cambodian dispute along lines proposed by a majority of United

Nations members Peace proposals by the UN and the resistance movement in Cam-bodia call for withdrawal of Vietnamese forces and for free elections to choose a new government in

Mr. Shevardnadze said Moscow did not hold the key to a Cambodisolution and supported proposals for a settlement put forward by Cambodia and Vietnam.

He said that both countries were vereign states and had offered "legitimate" terms for national reciliation in Cambodia. At his press conference in Jakar-

ta, he issued an implied rebuke to sia and its five partners in the Asso-ciation of Southeast Asian Nations Prime Minister Bob Hawke of Aus-tralia and Australian opposition peace and cooperation.

granting Turkey far more aid than

it does to Greece. Athens says the

U.S. military-related aid should be

disbursed at a seven-to-10 ratio in

was receiving an extra \$1.5 billion

Referring to the Voice of Ameri-

ed States call a step-by-step agreement for VOA if there are no at the end of his term in February

Are Wounded

At Sikh Temple

NEW DELHI - Four Punjab

fire after entering the interior of the in recent weeks.

on Saturday were dressed in plain "political evolution," saying steps

ter the shrine. It said the police had the transition to a freely elected

they were fired upon from a room cratic Justice Party has called for

policemen were wounded by gun-

Golden Temple at Amritsar, the Sikh religion's holiest shrine, ac-

The Press Trust of India initially

eported that one person had been

the police. Two of the wounded

policemen were reported in serious

The news agency said the four

clothes, apparently in deference to Sikhs' hostility to having police en-

The Press Trust said that when

the policemen entered the temple.

that had been purportedly "cap-

The action marked the third time

in the past year that the police have

entered the Golden Temple, and it seemed likely that the incident

would stir new tensions between

moderate and militant Sikhs over

the sanctity of Sikh temples. The moderate Sikh government of Pun-

jab state has been shaken by

charges from militants that the po-

lice have been permitted too much access to Sikh temples.

tured" by "suspected terrorists."

held and tortured inside.

gone into the complex because of government, reports that someone was being But Mr. C.

killed, but this was later denied by down

cording to news agency reports.

corrective moves.



Eduard A. Shevardnadze at a news conference in Jakarta.

leaders who expressed skepticism last week about Soviet assurances of good intent in the South Pacific. Mr. Shevardnadze said this attitude revealed "a kind of feudal thinking, a sort of colonial mania to perceive everything in terms of impts to divide the world into spheres of influence."

In Australia, Mr. Shevardnadze had told Mr. Hawke and other officials that Moscow was seeking normal diplomatic, economic and cultural relations in the South Pacific.

Mr. Shevardnadze said that Moscow's policy toward the Asia-Pacific region, which was set out in a speech in Vladivostok in July by the Soviet leader, Mikhail S. Gor-

Chun Avows

Compromise

By David K. Shipler New York Times Service

SEOUL -- Secretary of State

George P. Shultz is reported to

have won assurances from President Chun Doo Hwan of South

Korea that he would seek a com-

promise with the opposition on the.

According to an American offi-cial, Mr. Chun also repeated his

pledge to move South Korea to-

ward a constitutional democracy,

Mr. Shultz met with Mr. Chun

The American official said that

on Friday during a stop in Seoul en route from Shanghai to Tokyo.

Mr. Chun also reassured Mr.

Shultz that he would submit the

proposed constitutional change,

with the opposition, to a plebiscite.

heart of negotiations between the

government and opposition leaders

"He spoke in compromising tones," the American official said of Mr. Chan. "He made it very

clear he was stepping down. We believe him. He's going to step

But it is still an open question about what kind of government

officials have expressed impatience

must be taken soon if the deadline

of next February is to be met for

But Mr. Chun did not give Mr.

Mr. Chun's governing Demo-

an elected parliament, which would

then choose a prime minister. The

main opposition group, the New Korea Democratic Party, led by Kim Dae Jung and Kim Young

Sam, insists on a direct presidential

A direct election, the opposition argues, would be more difficult for

the ruling party to tamper with.

And a parliament, some fear, could

be manipulated by Mr. Chun from

behind the scenes even after he

Shultz a timetable for revising the

Constitution, an official said.

These issues have been at the

determined through compros

form of an elected government.

Desire for

But Mr. Hawke commented Thursday in an Australian radio interview as Mr. Shevardnadze left for Indonesia:

I find it difficult on the basis of Soviet activities around the world over the last couple of decades to accept that they would limit their interests to purely fishing. You would have to think on the evidence of the past that that could be a cloak for other activities."

vardnadze said at a press conference in Canberra on Wednesday that his country felt threatened by both the United States and Japan. He noted that U.S. forces were stationed in Japan. South Korea.

the Philippines and Micronesia.

research organization.

knowledge that there is little Ronald Reagan can provide Con-gress with "reliable assurance" that Pakistan is not moving toward boilding a nuclear bomb.

Justifying the Soviet military presence in the region, Mr. Shequirement, the president has to cer-tify annually that Pakistan does not have a nuclear device and that U.S. aid will reduce the risk of it obtain-

Chernobyl Said to Increase

Mistrust of Nuclear Power

New York Times Service

WASHINGTON - Although the world now relies on nuclean

power plants for 15 percent of its electricity, popular mistrust could

bring a virtual end to the nuclear age early in the next century, according to a report published by the Worldwatch Institute, a

In a paper entitled "Reassessing Nuclear Power: The Fallout from

Chemobyl," the privately financed organization said Saturday that

the political consequences of the accident last April at the Soviet

Union's Chernobyl reactor were the "collapse in country after coun-

try" of a "pro-nuclear consensus" and the growth of anxiety about nuclear safety to levels that government leaders could not ignore.

Citing post-Chernobyl opinion polls, the report said: "Over two-

thirds of the people in most countries are now against building more

nuclear plants, numbers that have increased significantly since Cher-

nobyl. Indeed, about half the people of Europe favor the shutdown of

In a survey of developments outside the United States since 1975,

the study said that governments in power had approved the abandon-

ment of nuclear programs in Sweden, Denmark, Austria, New Zea-

land and the Philippines and had canceled or delayed proposed nuclear construction projects in Spain, Greece, the Netherlands, Argentina, Brazil. Mexico, Italy and Spain.

The report was ridiculed by the Atomic Industrial Forum, a nuclear

ndustry trade association. Accusing the Worldwatch Institute of

The White House last gave that certification to Congress in Octo-ber, despite intelligence it had that

aid program for Pakistan.

U.S. Is Reported Ready To Back Pakistani Aid Despite Nuclear Issue

By David B. Ostaway

Pakistan was producing weapons grade enriched uranium. Washington Post Service
WASHINGTON — The Reagan President Mohammed Zia ul-Haq and his prime minister, Moadministration apparently has de-cided that it cannot head off Pakihammed Khan Junejo, have denied this to the U.S. government. But U.S. officials said the only outstan's acquisition of nuclear weapons and that it is unwilling to sacrifice the big American aid program to that strategically located standing questions are how much enriched uranium the Pakistania have and whether they have assemnation to try to force Pakistan not bled the various parts of a bomb. to build a bomb, according to ad-A State Department official said ministration officials.

riday that "we think they have the The United States will continue capability of producing" a nuclear bomb now, "but we're convinced to object publicly to the Pakistani nuclear program, officials said in they don't have one yet." recent interviews, but will give pri-Last Sunday The Observer of onity to resisting increased Soviet pressure on Pakistan and to safe-

London quoted a leading Pakistani scientist, Abdel Qader Khan, as guarding the flow of U.S. aid to the rebels in Afghanistan, where there saying in an interview that his country has succeeded in producare about 120,000 Soviet troops. ing weapons-grade uranin Despite mounting evidence that Pakistan has reached the nuclear making a nuclear bomb. The Pakistani government has since said that Mr. Khan denies threshold, the administration is

pressing Congress to grant another that he gave the interview, but two six-year waiver to a provision that otherwise would cut off U.S. aid to reporters insist he did. Mounting evidence that Pakia nation that refuses to open its nuclear facilities to international

stan is about to join the nuclear club presents both Congress and the administration with what Rep-The administration is asking resentative Stephen J. Solarz, Democrat of New York, called a dilen-ma of "Rubik's Cube" proportions: how to fit together the Congress to approve with no restrictions a six-year, \$4.02 billion Administration officials ac-U.S commitment to nuclear nonproliferation with its equally firm chance any more that President commitment to siding anti-Communist Alghan rebels dependent on Pakistan.

Proponents of a strong nonproliferation policy want to use the leverage of U.S. aid in a final bid to Under a 1985 congressional reextract promises from Pakistan that it will not go any further to-

ward assembling a bomb.

Administration officials argue that this would jeopardize the more immediate goals of supporting Pakistan against Soviet pressure and of helping the Afghan rebels.

Administration officials also said that they are still pressing Pa-kistan to consider carefully the implications of assembling a bomb a step they say is certain to touch off a nuclear arms race with India that Pakistan is unlikely to win.

1974 but then halted further development of nuclear weapons until Pakistan Reaffirms Policy

India tested a nuclear device in

Pakistan pledged Sunday to continne its nuclear program, even if it meant losing foreign aid, Reuters reported from Islamabad.

"We shall neither be browbeaten nor cajoled." Zain Noorani, the acting foreign minister, told partiament. "I promise the people of Pakistan on behalf of the government, that no power on earth can deter us from pursuing our peaceful nuclear program."

Frogs' Efforts Finally Pay Off The Associated Press

NEW DELHI - India has

WORLD BRIEFS

Israeli Police and Protesters Clash

BUQATA, Israeli-Occupied Golan Heights (UPI) — A protest managed crupted into a riot here Sunday when demonstrators began pelting Israeli policemen with stones, the authorities said.

The police said that nine officers and one protester were injured. The

melee was broken up when the police fired tear gas and warring shots. Five protesters were arrested. The demonstrators, who police said mine. bered in the hundreds, waved Syrian flags, chanted anti-Israeli slogans

and blocked roads leading into the town.

The protest was called to protest Israel's interference with the Druze town's water supply. Officials said they were unsure how the water supply.

Lawyer Seeks to Void Abdallah Verdict

PARIS (AP) — The current lawyer for Georges Ibrahim Abdallah, who was sentenced Feb. 28 to life imprisonment on terrorism charges, said. Sunday he has asked the French justice minister to void the verdice following the disclosure that Mr. Abdallah's former lawyer was an informant for the French secret service. Jacques Vergès, in a letter to Justice Minister Albin Chalandon, said it

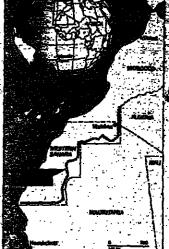
was the first time in French history that "the state sends to an accused a ecret service agent disguised as a lawyer to betray the defense." He asked the minister to issue a formal order to the Paris court to annulthe verdict. The former lawyer, Jean-Paul Mazurier, acknowledged Fri-day that he had informed on Mr. Abdallah from 1984 to 1986.

Polisario Front Reports a Victory

ALGIERS (Renters) — Polisario guerrillas said Sunday that they had won a large battle with the Moroccan Army on Friday, nine days after a major clash in which they reported having inflicted heavy losses on the government.
In a statement carried by Alge-

ria's official APS news agency, the Polisario Front said 300 Moroccan troops were "put out of action" in the same area where the guerrillas said 213 Moroccans were killed and 83 taken prisoner on Feb. 25.

The statement said Polisario fighters overran Moroccan defenses on a 12-mile (20-kilometer) front, took 28 prisoners and destroyed five armored vehicles in the four-hour battle. In another statement on Saturday, the Polisario Front said the battles were part of a new offensive in its campaign for independence of the Western Saha-



ATE CLUB (

Tyrone I

SCOR

IS College

SOUT LA

And (Fig.) IL Brock Milbert

Origin St. Harthelte : plant St. Ohlo St. 57 Cals Tt. Michigan St. Prings Bt. Parties a Arthurshin Tt. Address

nas Davie II. Davie

Chesteri S. P. Lifers
Strategi S. St. Wi 3
Chesteri S. R. CiStrategi S. Strategi S. R. CiStrategi S. Strategi S. R. CiStrategi S. Strategi S. Strate

Allumite, Consts # Frank Conding 82, 400 Conding 82, 400 Conding 82, 71, Der Wighter 52, Gloryta 1 Wafe Ferrel 64, Cherr

North Corolleg St. Vir E Corolleg St. 17, Wc

First Computers St. Bosto Pittings Rt. Setter I-Patienter Rt. St. Jer Srittette Tt. Villemort

Re Sight (3)
First (4)
Rest (4) Observed
Rest (5) Observed
Rest (

Sig Sky C Seene

Seinif San S. IS. Willia & In-San S. Weber : Chounsi Chounsi San S. 71, Nov.-Den

ECAC Marry

SCAC Marry

Magazian

Ma

No East (

Marcos Aide Reaches Property Accord

MANILA (NYT) —A close associate of former President Ferdinand E. Marcos has agreed to turn over to the government his title to properties in New York and Hawaii, the head of a government commission, investigating Mr. Marcos's wealth has announced.

The official, Jovito R. Salonga, chairman of the Good Government commission, said Saturday that the Marcos associate, Antonio Florendo.

agreed in a compromise accord signed Thursday to turn over the titles as well as \$3.5 million in cash if the government dismissed cases filed against him and lifted the freeze on his properties.

The properties are an estate on Long Island, three apartments on Fifth.

Avenue in New York and a Honolulu mansion.

Turkey Threatens Attack on Rebeis

ANKARA (Reuters) - Interior Minister Yildirim Akbulut threatened retaliation on Sunday against Kurdish separatist guerniles who killed eight Turkish civilians in an attack near the border with Syria. He hinted at retaliation might involve a strike across the border.

He was speaking after the Foreign Ministry stammoned the Syrian ambassador on Sunday. The ambassador was told that Syria should tighten border security, a ministry statement said, because the Kurdish rebels who carried out the attack Saturday allegedly came from Syria.

For the Record

flew their C-130 military transport plane to southern Egypt, Abdel-Hamid Backoush, a former Libyan prime minister, said Saturday. He said the status of three Libyan enlisted men who made up the rest of the plane's crew has not been decided.

lane's crew has not been decided.

At least nine persons were killed and 36 were injured seriously earl? banned the export of frogs' legs,
saying they are more valuable as
domestic mosquito predators than
as gournet dinners abroad. The

A Lebanese woman and her nephew have been charged with conspiracy

as gournet dinners abroad. The Ministry of Environment and Forests said that the export ban, effective immediately, was to protect India's dwindling frog population.

A Lehanese woman and her nephew have been charged with conspiracy and illegal possession of weapons following discovery of an arms cache in the cellar of a Paris apartment building, judicial sources said Saturday. Leila el Massi. 40, was released provisionally, but her nephew, Zaid Hachache, 30, remained in police custody.

(Reuters)

being "grossly and consistently wrong," Don Winston, an association spokesman, said the institute earlier urged "a transition to a postpetroleum world in which coal-burning would be undesirable and almost all energy would be provided by solar or photovoltaic devices, wind, wood and water." He added, "Now they're talking smoke again — burning coal to replace nuclear."

Voice of Peronism Again Resonates in Argentina

By Shirley Christian
New York Times Service BUENOS AIRES - Juan Domingo Peron and his wives are gone, but a new voice of Peronism is filling the plazas and the airwaves of Argentina with a passionate defense of workers' rights that keeps political

will replace Mr. Chun's, American tempers blazing. Saul V. Ubaldini, who leads the labor policemen who entered the temple with the slow pace of what they call movement that was the lifeblood of the Perons, has become the most visible adversary of President Raúl Alfonsin's economic pro-

The government, under the pressure of a \$53 billion foreign debt, envisions opening up the economy to make it more competitive in world trade, including putting many state-owned businesses in private hands, promotng foreign and local investment, and offering equity in some of the indebted companies to foreign creditors. At the same tim

trying to reduce the government deficit by

cutting the work force and other steps. Mr. Ubaldini, viewing the economy from a strongly nationalistic position, wants the president to dismiss his entire economic team and take another route. He proposes that the emphasis be on expansion of the internal market, with such measures as government investment to spur the creation of "illegitimate" part of the debt. He wants the sevelt in the United States in the 1930s. He government to trace what happened to the money and refuse to repay what went out as

The two sides also disagree about the inflation that has tormented Argentina for model for recovery, not a model for retrench- as it is guiding the ship of state, was obliged erations. The government, saying it can-ment. not carry out its economic program in an atmosphere of high inflation, continually looks for a way to halt it, most recently with wage and price controls.

erybody to have money to spend. And he somewhat from its heyday, the CGT still contends that workers have lost purchasing

Mr. Ubaldini says inflation is a secondary

power under wage controls. What worries us is that when they begin these

belt-tightening measures they will end up adopting a recovery policy that helps just 10 million Argentines instead of all 30 million."

--- Saul V. Ubaldini

"What worries us," he said in an interview, "is that when they begin these belt-tighten-ing measures they will end up adopting a recovery policy that helps just 10 million Argentines instead of all 30 million." What was needed, he said, was a major

said that Roosevelt, "against all the advice of called "practically the paladin of the poor." the American technocrats," adopted a plan that created 650,000 jobs in six months.

Mr. Ubaldini is secretary-general of the General Confederation of Labor, known by

its Spanish initials CGT, the umbrella organization that numbers about three million members in hundreds of unions. Although concern, that the important thing is for ev- its membership and power have declined claims to be the strongest and most unified labor movement in Latin America.

The dark leather jacket he wears in winter sets the fashion standard for many Argentine men. In the summer months, from December into March, he has been known to appear bare-chested before labor gatherings, recalling the "shirtless ones" who first swept Juan government-directed economic revival intended to increase jobs and wages, along the lines followed by President Franklin D. Roolines followed by President special recollection of Mrs. Peron, whom he

> Mr. Alfonsin recently suggested that Mr. Ubaldini and his followers failed to under-

"That is what we want," he continued, "a stand that the government, at the same time to make repairs in the ship to stop it from taking on water, presumably an allusion to the need for economic change. On another occasion, after one of the four

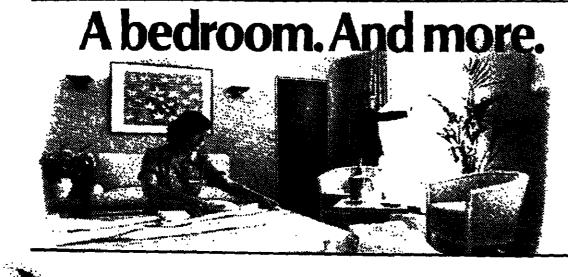
general strikes that Mr. Ubaklim has called to back his arguments, the president accused labor of "stopping to cry" when it ought to be "gritting its teeth and going to work." The labor leader responded that "crying is

a sentiment, but lying is a sin," apparent alluding to what he considered to be unful filled election promises to labor by Mr. Af-fonsin and his Radical Party. Mr. Ubakimi came out of the relatively

small beer workers' union just a few years ago to emerge as a national leader at a time when the CGT was still officially outlawed by the military government that preceded Mr. Alfonsin's

Since then he has presided over the CGT's return to legal status, but the government and the CGT are still arguing over the pro-posed collective bargaming law and over which of them should control medical and other social benefit programs for CGT members. Great political power hes in control of the benefits program, a tradition inherited from Eva Perón

The Radical Party sees all of that mon and says the unions always ran it for their own profit and glory," a labor analyst said, "so now the Radicals want to run it for their profit and glory."



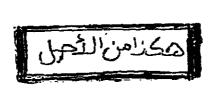
Holiday Inn® hotel bedrooms are bigger than the average hotel room, with executive standards which aren't an expensive extra.

And our professional but unobtrusive service makes business travel so much easier.

More of what you want. At more like the price you're happy to pay.

That's Holiday Inn hotels.

You're more than welcome.





The Securities Industry is Becoming a Leading Industry in Japan

WHAT FORCES are behind the recent strong performance of Japanese securities companies?

testers Clash Spee (Chal) — W blosser of

set hancester mere roline. to teen the rang a stand finters, who police s a chanted anti-Israeli

interference with the D se interior parties by the by the fr

hdallah Verd corges ibrahim Abdalia seriouser to word the let's former lawier, asser Alban Chalandon

be state sends to an any to bear the defeate. der to the Paris countie. Misserier, acknowledge:

ts a Victory

roperty Accord

Hormer President Force

a Constitution; course

IE of the Good Green Mesografie Antomo Fore

はは、いはて コモ とっこ

the tree to be find as

nd there communicate

ick on Rebeli

ويعتد النسافية المعطية ا Harrist poets from the

tietre vurineral trefe

920 US (22) Straig 数 海边 医拉皮性囊炎

भीवनारी भारत रेज हैं:

atimat Aur Poppe Jilliager

14 beilbem Egytt für

e Person i Die Da Amerikan (Li

अन्यतः त्रीकानुसर्वः स्टाटी स्टाटीस

Sparrer i di diam mi

And white at See

AND THE SERVICE

ntina

the state of the state of

, gegeglegen in didd

March 1 Common C

Ar only and the

And the second s

Salar Barrier

SECTION SECTIONS

the free description

The second secon

Service Control of Con

24 january 32 january 24 january 32 january 25 january 32 january

المتوام الساشيق بيج

A the length

لمناطقة

Iwasaki: Three sets of developments have given strong impetus to our growth: developments in international capital markets, growth of the financial asset base in the domestic market, and deregulation and rapid growth of financial markets.

In international capital markets, there has been a strong shift toward securitization. Last year, for example, about 70% of transactions-primarily bond transactionsin the Euromarket were securities-related. Bank loans represented only about 27% of total transactions. Behind this shift toward securitization is an underlying need to adjust flows of funds between creditor and debtor nations. The funding requirements of borrower nations are not likely to subside suddenly. Instead, it has become increasingly clear which nations will be creditors and which will be borrowers. The trend toward securitization is therefore likely to continue for the long term.

Another important development in international capital markets supporting the growth of our operations is the growing importance of institutional investors. In an environment where interest rate and currency risks are greater than before, the role of the professional investor has and will continue to become more important.

Securities are also a more flexible mode of finance when it comes to developing new financial instruments and products. This too has been an important factor supporting the expanding role of securities transactions in the Euromarket and in other major financial

WHAT DOMESTIC developments have boosted Nikko's performance?

Iwasaki: One of the most important has been the growth in financial assets in Japan. According to estimates made by the Nikko Research Center (NRC), expansion in financial assets is outstripping growth in real assets. The NRC forecast for 1987 through 1991 is for growth of 5.2% in real assets. Compare this with forecast growth of 8.6% for financial assets and you can see why growth in the financial services industry is likely to continue at a strong pace. The Japanese economy is shifting to become less of a "goods" economy and more of a "money"

economy. Along with this, we have seen a significant increase in sensitivity to interest rates and profitability of investments among individuals. Although securities still account for only about 20% of personal financial assets, we foresee a growing shift toward securities investments in the years to come. This trend will move in parallel with the growth in securities markets. For example, the volume of Japanese government bonds outstanding now is about \$916, billion, but in five years, this will rise to \$1,300 billion. Another very significant development will be the removal of tax exemptions on an estimated \$2,000 billion in savings beginning in October 1987.

This will lead to some important shifts in the flow of funds and will generate more opportunities for securities companies.

Reflecting the size of financial assets in Japan, which now total more than ¥600 trillion, or about \$4 trillion, Japan has also emerged as the world's leading creditor nation. At the end of calendar 1986, Japan's net external assets amounted to an estimated \$200 billion. By 1991, we believe this total will rise to \$500 billion. At present, about 80% of the increment to net external assets is accounted for by securities investments.

With this momentum behind it and with continuing deregulation, the Tokyo market is expected to move out in front as one of the world's three leading international money and capital markets. Surveys of experts indicate the consensus view is that Tokyo will rise to a position of importance equivalent to London in the near future and, thereafter, reach the same level of importance as New York, essentially propelled by the growth in domestic financial assets and by the growing volume of international transactions.



Takuya lwasaki

Born in 1928, Takuya Iwasaki joined Nikko Securities in 1954. After having held various operational posts in the trading, underwriting, and other divisions of Nikko, he was appointed president of the firm on December

WHAT ROLE has expansion in the market itself played in stimulating growth in your operations?

Iwasaki: A big role indeed. The size of transactions volume in the Tokyo market has expanded dramatically along with such developments as deregulation, increased par-. ticipation of institutional investors, and fluctuations in interest rates and foreign currency valuations. All of these developments have prompted investors to move their portfolios more actively for short-term gains. As Japanese banks especially continue to step up their activities in the market, transactions volume will continue to expand.

Nikko is very well positioned to participate in this growth. For example, in our fiscal year ended September 30, 1986, we increased our equity share trading volume 55%; brokerage commissions rose 42%, setting a new record. The value of our bond transactions rose 116% for the year and revenues grew 38%. We made substantial gains in convertible bond transactions, in bond futures trading, and in the

sale of investment trusts to individuals and institutional investors. In addition, we achieved excellent results in the development and application of new systems, including, for example, use of the new BARRA/Nikko Japanese Equity Risk Model in our Index Fund TSP and Japan Index Fund.

In short, it was an excellent year for us. Revenues were up 50%, to ¥457.1 billion, and net income rose 75%, to ¥82.8 billion, each of which is the highest level in Nikko's history. Reflecting the excellent prospects for growth in our operations, the total stock market valuation of Nikko shares was approximately \$13.1 billion as of the end of 1986, over 268% higher than a year before.

WHAT EFFECTS will increased competition from domestic and foreign securities companies have on your operations?

Iwasaki: As in any growing market, we expect competition to increase. Right now, 36 foreign securities companies have securities branch licenses in Tokyo. We expect that number to rise to 50 before this year is out. Since some of these operations are branches of subsidiaries of foreign commercial or universal banks, we expect Japanese banks will also begin to argue more strongly for permission to set up securities operations in Tokyo. We expect that the number of our competitors will grow and that competition will become tougher in the years to come.

Other developments we have to keep in mind are further deregulation measures, such as the problem of the fixed commission structure and introduction of a shelf registration system.

These developments, along with the sheer growth of the Tokyo market, form the backdrop for our continuing expansion. As Japan becomes an increasingly important exporter of capital and an international financial center, the opportunities will multiply very rapidly. The most important success factors will include having the right strategies and the right set of capabilities to meet the needs of the market as they emerge.

More than ever, we have to stress closeness to the markets we deal in. Growth in revenues and profits will no longer depend on continuing to do things the way they were done in the past but will depend much more on being in touch with the needs of the market and on being able to respond to those needs. Being market-minded, I believe, is a key point we must stress in the years ahead.

WHAT STRATEGIES will Nikko pursue to achieve this market-minded orientation?

Iwasaki: Our ultimate goal, as Japan becomes an increasingly important financial center, is to become a full-service, global financial institution. To accomplish this, I think Nikko must become more active in developing appropriate strategies and implementing them. We cannot afford to maintain a passive approach; we have to move into a more active

I have summarized this in the phrase

Zoshitsu Keiei. The main theme of Japanese companies after the oil crises was what we call genryo keiei-that is, managing to eliminate waste in all phases of our operations. I think we need a shift in emphasis now toward upgrading the quality of our operations.

Zoshitsu Keiei means, specifically, managing to upgrade the quality of our personnel resources, our products and services, and our financial position and resources.

People, as anyone in the securities industry knows, are our most important resource. I think Nikko certainly has a highly trained and capable staff. But I think we need to emphasize Zoshitsu Keiei through increased training and through stimulating our staff to test the limits of their abilities by giving them increased responsibility. Unless younger people are given the opportunity to try, they will not make either the right decisions or the mistakes that we all learn from. I have forbidden our branch managers to complain about some young people not being selfstarters. Instead, I have told them to give these younger people more responsibilities.

To do this, we have implemented changes in operating procedures by having both directors and managers do more to encourage initiative among all levels of staff, thereby realizing our full potential as a company through a fundamental change in the way our professionals approach their work.

Another key aspect of personnel development is evaluation. We are conducting a full review of our compensation and evaluation systems and will make the changes found appropriate for attracting and keeping the l talent.

HOW ABOUT the development of competitive financial products and services? How will Nikko keep ahead in

Iwasaki: Personnel resources are a key factor here also. But development of financial products and services that stay ahead of client needs will require a greater closeness to the market. That is what I mean by being market-minded. Nikko's financial products and services are a crystallization of its knowhow and expertise. Investment trust products and swaps are cases in point. But I don't think products that meet client needs can come from sitting, thinking, and waiting for divine inspiration. We have to be in intimate touch with the market, constantly sounding out the needs of our clients. When we know what the market requires, we can develop the proper services. Ideally, we should know our clients and the market so well that we can provide services that satisfy needs that clients themselves are unware of.

We must also continue to work to improve our capital base and overall financial position. This is because profitability is now essential to generate the confidence of society and our clients.

Given the market opportunities we have before us and the potential of our resources. I believe we at Nikko have the opportunity of a lifetime to be a leader in the financial industry in Japan and internationally.



3-1, Marunouchi 3-chome, Chiyoda-ku, Tokyo, Japan Tel: (03) 283-2211 Telex: J22410

LONDON ZURICH GENEVA FRANKFURT LUXEMBOURG PARIS COPENHAGEN MILAN MADRID BAHRAIN NEW YORK SAN FRANCISCO LOS ANGELES CHICAGO TORONTO HONG KONG SINGAPORE SYDNEY SEOUL BEITING QINGDAO

THE (

LOND B. B. Outside the Bridge of Francisco in the Bridge of Francisco in the Bridge of the Bridge of

SHE ENVINE

and the British s.

prelimitation

into why the His

prise a Bellia

and cally and the

should the

there. British ship

to early to say

ladependent

ists said ton-

become unviat

ing reaches it is

The Herard

perpet the British

crater. Louisier.

two such car disch

one end of the

They are lise -

ments that we are

हिंदू रहि के कि ले

stage" state "List

SURV

pocket ore icua.

their shirts. (32222

Acress 2 Comme

floor filled with a

assorted passenger

Edwards care.ed

con ian who have

Henouda : : a

अ आ साहाराहरू

him because my

megy a service

picked him ur 👊

eent over. See A

hanging calc to his

dide down to the

was lots of page 2.75

-With west - 1 and the group and

AMERICAN TOPICS

The Changing Face Of Catholic Schools

in the past decade, enrollment of non-Catholics in Catholic parochial schools in the United States has increased from 2 percent to between 12 and 15 percent, the National Catholic Education Association says. In some inner cities, that trend has been magnified. The result in Washington, D.C., for example, is a Catholic schoolsystem for black families who have spurned public schools. The Washington Post reports.

As white Catholics moved out of the inner cities in the 1960s and 1970s, some Catholic schools closed. Those that remained became predominantly black, with many non-Catholics. In Catholic elementary schools in Washington, 47 percent of the pupils are non-Catholics, and in three schools, the proportion exceeds 70 percent. All of the pupils take part in mandatory morning prayer and

religion classes.
Some Catholics have wondered whether the trend is altering the character of Catholic schools. But for now, the Catholic system welcomes non-Catholics. With enrollments declining non-Catholics help keep the schools open. Tuition at Catholic schools ranges from about \$1,200 to \$5,000 a year.

Short Takes

Commercials are beginning to appear on videocassette tapes, according to U.S. News & World Report. Coca-Cola put a commercial on the European videocassette version of the film "Ghostbusters," produced by Coke's subsidiary. Columbia Pictures. If there were any cries of outrage, they went unreported. Indeed, Columbia and MCA Inc., the entertainment conglomerate, said they found that two-thirds of users would not bother to use the fast-forward button to skip past a commercial at the beginning of a tape. Accordingly, the companies are considering introduc-ing the commercials in the United States.

Hunters who couldn't pass the back fired at the eight-point white-tailed deer standing at a Virginia roadside. But the buck was stuffed. Rappahannock County officials then issued summonses for shooting within 100 yards (90 meters) of a public road. The county game war-den, Jim Bankston, said that when he asked one unsuspect-ing hunter afterward whether his shot hit the animal, the man replied, "I guess not - it's still standing there."

Notes About People

When Leonard Garment, a Washington attorney and former counsel in the Nixon White House, represented Edwin Meese 3d during Senate hearings for Mr. Meese's confirmation as attorney general, it cost the government \$472,190. Now

TITLE

BANKING & FINANCE

Recruitment Consultants

MARKETING MANAGER

PRESIDENT

Mr. Garment is representing Robert C. McFarlane, the former national security adviser, during investigations into the Iran arms affair —at no charge. "He's a friend in need." said Mr. Garment. Mr. Meese, as a federal official, could charge his expenses to the government. Mr. McFarlane, as a former official, cannot. "He doesn't have the resources to pay for some-thing like this," Mr. Garment

Peter M. Dawkins, West Point football hero, Rhodes Scholar, brigadier general at 43 and now a Wall Street investment banker, says he is "giving careful and serious consideration" to seeking the Republican nomination in New Jersey



Peter M. Dawkins

next year for the U.S. Senate seat currently held by Frank R. Lautenberg, a Democrat. Origi-nally from Michigan, Mr. Dawkins. 49, also had considered running there, and has been mentioned for other states. He points out that during his army career he lived in 20 houses in 24 years.

Some Think Scarlett **Should Rest in Peace**

Taking editorial note of the

scheduled sequel to "Gone With the Wind," The Washington Post says the literary execu-tors of the late Margaret Mitchell, author of the 1936 bestseller, "apparently have their doubts about doing this thing, but fear that if they don't, someone will publish an unauthorized sequel that will be tru-ly awful." The Post says that if the critics were charitable, they could review the sequel strictly as a sequel: "Truly magnificent when one considers how dreadful it might have been" or "a towering accomplishment in the field of pre-emptive litera-

Even so, says The Post, "no quel may be, it will be enjoyed with a tinge of guilt and a faint-ly resentful feeling that after Rhett Butler said, Frankly, my dear, I don't give a damn,' and Scarlett O'Hara said, Tomorrow is another day,' then there really was no more to be written and that should have been the end." -ARTHUR HIGBEE

INTERNATIONAL POSITIONS

You will find below a listing of job positions published last Thursday under the rubric International Positions.

SALARY

Generous

If you haven't seen lost week's INTERNATIONAL POSITIONS rubric.

please ask for a free copy: Max Ferrero,
INTERNATIONAL HERALD TRIBUNE, 92521 Neutily Cedex, France.
Tel: (1) 46.37.93.81. Teles: 613595

Regan's Departure May Alter White House Economic Goals

By Peter T. Kilborn

WASHINGTON - The departure of Donald T. Regan as President Ronald Reagan's chief of staff is likely to lead to significant changes in the administration's economic objectives, according to administration and congressional

The first significant shift is a retreat from one of Mr. Reagan's highest economic priorities: over-hauling the way the executive branch and Congress prepare the federal budget.
The White House had been ex-

ploring such changes as the introduction of a second budget that would present the government's accounts more as businesses do, and shifting from one-year to two-year budgets. Other possibilities include combining the current two-step procedure of authorizing programs and then separately appropriating the money, and expanding presidential authority over the budget

enacted by Congress.

But "budget reform," as the White House called the project, became markedly less urgent with the departure last month of its leading proponent, Mr. Regan. Officials said Mr. Regan's re-

placement by former Senator Howard H. Baker Jr. also increases the ikelihood that Paul A. Volcker will stay on as chairman of the Federal Reserve Board. It also improves the chance that the president will meet with congressional leaders to dis-



Donald T. Regan's replacement as White House chief of staff, Howard H. Baker Jr., left, meeting with Representative Jim Wright, the House majority leader, in Washington.

cuss the 1988 deficit. And it is ex-pected to increase the power of publicans during the president's Treasury Secretary James A. Baker irst term, adopted a markedly less 3d over economic affairs.

confrontational approach toward a The proposals for budget change skeptical Congress that is now confell out of favor as Howard Baker, trolled by the Democrats.

Edward M. Gramlich, acting director of the Congressional Budget Office, said the budget overhaul was now "as far back on the back

Officials said it was still too early to determine many other effects on economic policy resulting from Mr. Regan's resignation. But they confirmed indications that Mr. Volcker's prospects for nomination in July to a third five-year term as chairman of the Federal Reserve had improved.

The officials added that the White House was likely to prove more agreeable to a conference with congressional leaders on the budget for the 1988 fiscal year and to discussing small tax increases to reduce the deficit.

They also said that the already powerful treasury secretary was likely to expand his authority to include more budget matters, which he previously left to Mr. Regan and the director of the Office of Management and Budget, James C. Miller 3d.

With respect to an overhaul of the budget process, Mr. Miller met twice this week with Howard Baker. No decisions were reached, officials said, but in the face of indifat least for this year.

They said that the administraburner as anything can get." actual budgetary cost of the subsi-"It was closely identified with dized and guaranteed loans the account.

Regan, and it has risen and fallen government makes to farmers, sur-with his stature," Mr. Gramlich dems and home buyers.

The White House also is seeking a constitutional amendment to require a balanced budget. And Mr. Reagan still hopes to win the authority to veto individual spending items in money bills without having to veto the whole bill.

But Congress has ignored theseproposals throughout Mr. Reagen's tenure. Administration officials concede that they have even less chance for enactment now than they did earlier and said they would not fight for them with the vigor

that Mr. Regan might have. "Howard Baker is not known for kamikaze missions," said a former senior official in the Reagan White House. "If something won't fly, he's not going to make the trip. Budget reform is a nonstarter."

Mr. Regan once attached such importance to budget issues that he put the White House counsel, Peter J. Wallison, in charge of a group to

prepare a legislative proposal.

Mr. Regan was particularly interested in preparing a budget, as private businesses do, that would show the government's assets and liabilities. The government does ference in both Congress and the not now have such a capital budget.

Treasury, officials said a sweeping only an operating budget, showing overhanl proposal was improbable. spending and revenue.
But critics said a capital budget

could be used to camouflage federtion would urge some changes, in- al deficits by allowing the adminischiding one that some Democrats tration to transfer borrowing into a in Congress endorse: showing the capital account, thus reducing the actual budgetary cost of the subsi-

A Surprise at Supreme Court

Conservatives Fear Scalia May Be Joining 'Wrong Crowd'

By Al Kamen Washington Post Service

WASHINGTON - Justice Antonin Scalia of the U.S. Supreme Court is "very affable, very gregarious," said a conservative legal activist, Daniel J. Popeo. "Let's hope be doesn't get too friendly with the

The reason that Mr. Popeo and other conservatives are worried is that Justice Scalia's voting record so far shows him frequently with the court's liberal "crowd."

Most observers expected little ideological change when William H. Rehnquist became chief justice last fall and Justice Scalia joined the court. If anything, they predicted the court's conservative wing would become more firmly entrenched with Justice Scalia - aggressive quick-witted and person-able — giving added intellectual

The early indication, with not quite one-third of the court's 150 annual decisions handed down, is that those predictions were wrong. to the left, not to the right. Moreover, Justice William J. Brennan, a liberal, and not Justice Rehnquist, appears to be in the driver's seat.

Although most of the court's cases and many of its most important rulings have yet to be decided, the latest tabulations show that Justice Scalia has voted with Justice Rehnquist 75 percent of the time -less than President Ronald

EMPLOYER

The Caldwell Partners Int'l.

Sélection du Reader's Digest

The Search Partners Int'l.

Reagan's other appointee, Justice when he wrote an opinion, involv-Sandra Day O'Connor.

That also is less often than Justice Byron R. White or even Justice Lewis F. Powell Jr., a centrist, and less frequently than the former chief justice, Warren E. Burger. Justice Burger and Justice Rehn-

90 percent of the time at this point last term. During her first term, Justice O'Connor agreed with Jus-tice Rehnquist 82 percent of the At the same time, Justice Scalia

has agreed with Justice Brennan in 65 percent of the cases decided this term, virtually the same percentage of agreement that Justice Brennan has had with Justice John Paul Stevens, a moderate.

Observers have been watching closely to see whether Justice Rehnquist, the court's leading dissenter for many years, would modfurepower and persuasiveness to the erate his views as chief justice and move to the center to control which justice writes the court's opinion. He has not budged. In fact, he has dissented more often than he did last term at this time.

> As a result, Justice Brennan appears to be in a more powerful position than he has been in for years, winning every one of the mportant cases decided so far. By tradition, the chief justice de-

When he is not, the senior justice in jargon. the majority decides. Because he has been in the majority so often, changed the outcome in some with Justice Rehaquist in dissent, Justice Brennan has been controling the assignments.

Any doubts about Justice Sca-

OMAHA, Nebraska - Senator

ing a police search, that sturmed and dismayed conservatives.

It was not simply that Justice Scalia joined liberals and centrists in "handcuffing" police. He wrote the opinion. And he said the Constitution "sometimes insulates the uist had voted together more than criminality of a few in order to protect the privacy of us all." Then Justice Scalia chided the

dissenters, Justice Rehnquist, Justice O'Connor and Justice Powell, for not "adhering to the textual and traditional standard of probable cause." He said the result was grounded upon "strict construction" - the battle cry of conserva-

Conservatives, including many in the Justice Department, were astonished. Others were beside themselves. They had been measy with that would have been 5-to-4 liberal some of Justice Scalia's earlier wins to 6-to-3 majorities, including votes siding with Justice Brennan, cases extending the reach of the but there had been explanations for Voting Rights Act, allowing special

McGuigan, a staunch Scalia sup- last year forbidding racial discrimiporter, said he was "surprised and nation in jury selections. disappointed." Still, he remains confident that Justice Scalia's over- early success, however, has been all record will please conservatives, Justice Rehnquist. The only real who ardently championed his power a chief justice has on the nomination.

Replacing Justice Burger's vote with Justice Scalia's has so far ion in a case. cides who will write the court's made the court's voting pattern opinion when he is in the majority. more liberal — in the conventional Justice Scalia's vote probably

cases, including one decision, seen by some as a victory for freedom of speech, striking down a federal law prohibiting nonprofit corporations lia's independence and unpredict-from making direct political cam-ability were shattered last month paign contributions.

spool on his frequent threats to

Mr. Zorinsky, always considered

a maverick who citen voted with

switch to the Republican Party.



Antonin Scalia

He also has transformed cases those. This one was too much.

job protections for pregnant work—
A conservative activist, Patrick ers and making retroactive a ruling

> court comes from assigning the justice who will write the court's opin-Justice Rehnquist has remained

> steadfast to his legal philosophy. The price has been 13 dissents in the first 42 cases. Justice Brennan assigned every one of the 13.

"At this stage of the term, it is a liberal court," said Mr. Fein, of the conservative Heritage Foundation. "Almost all of the cases of import this term have come down liberal

Account Used by North Got Tax-Exempt Funds

By Thomas B. Edsall and Ted Gup Washington Past Service

WASHINGTON — In 1985 and occurred, Congress had bettined any direct U.S. military assistance channeled from a U.S. tax-exempt foundation to a Swiss bank account being used by Lieutenant Colonel Oliver L. North for funds that helped arm the Nicaraguan rebels and finance the sale of U.S. weapons to Iran, according to docu-

The documents provide the first evidence that tax-deductible contributions were systematically transferred to an account under Colonel North's direct control. They also lay bare the circuitous route that the money traveled from the United States, through the Cayman Islands, to Switzerland.

The documents portray Colonel North, who was dismissed Nov. 25 from his National Security Council post, as directing that money raised a conservative fund-raiser, Carl R. Channell, be sent to the Swiss account, which was in the name of The second key to the liberals' Lake Resources Inc.

Mr. Channell received White House assistance in soliciting con tributions from some of the country's wealthiest conservatives as part of a campaign to support the Reagan administration's policies in Central America.

Potential donors received briefings from Colonel North, heard talks by a top State Department official and, if they contributed enough, met with President Ronald

As a result of Mr. Channell's efforts, millions of dollars flowed into his organizations, including his primary foundation, the National Endowment for the Preservation of Liberty. The documents show how \$4.9 million was disbursed to Colonel North's account and other entities. They do not show, however, how Colonel North ultimately used the money.

The documents describe Mr. Channell's overall efforts in sup-. port of the rebels, or contras, including what it called its Central American Freedom Program, a variety of publicly announced initiatives. But the documents do not explain why the company hired by the foundation to run that program, International Business Communications, sent much of the money to the Swiss and Cayman Islands accounts. A report written by Internation-

tained by The Washington Post, It attempts to reconstruct what Inter-national Business Communications did with the \$4.93 million it received from the foundation from May 1985 to December 1986. in a two-page summary at the beginning of the report, the president of international Business Communications, Richard R.

Miller, told Mr. Channell that the company sent some of the money to Lake Resources "at the request" of Colonel North. Mr. Miller added: "At the present time, we are unable to obtain

from him any information concerning the application of those funds after deposit to the Lake Resources account. However, we were assured by him at the time that the funds

were to be applied solely for ha-This distinction is crucial Dur-

ing the period when the transfer to the coutres. Colonel North used the Lake Rosources account to charter planes.

and ships to carry weapons to the contras, funnel cash to a resupply operation that dropped weapons to: contra camps and provide expense money for his chief lieutenant, Richard V. Secord, a retired air force major general. The Tower report contains an

important reference that apparently links the money raised by the foundation to Colonel North's operations. On April 3, Colonel North wrote himself a reminder to call Mr. Second about "650k for

LAKE." On April 9, the International Business Communications docu-ments show, a transfer was made from the foundation to the company, and then, through the Cayman Islands to Lake Resources on April 11. On April 16, Mr. Second reported back to Colonel North, by banker."

From the documents, it is clear that Mr. Miller and International Business Communications played a much more important role that previously known. The international Business Communications report portrays the company as controlling how the money would be disbursed.

The report, which includes thotocopies of the transfers to Lake Resources, also contains these significant findings:

 Money from American donors was commingled with profits from arms sales to Iran in the Lake Resources account at Credit Suisse Bank in Geneva. According to the documents, \$1.74 million went to Lake Resources in seven transfers from Sept. 20, 1985, to April 11, 1986. Of this, \$1.31 million was funneled through a Cayman Islands corporation called I.C. Inc., later renamed Intel Co-Operation Inc. The remaining \$430,000 was transferred directly to Lake Resources by International Business

Another \$1 million went to Alpha Services S.A., a corporation, controlled by the Nicaragual, Democratic Force, the military

wing of the contras.
In effect, U.S. naxpayers were subsidizing the multimillion-dollar cash flow from the National Enal Business Communications at Mr. Channell's request was obdowment for the Preservation of Liberty to International Business Communications to Intel Co-Operation, to Lake Resources and to the host of other recipients.

■ North Sues Again on Walsh Colonel North alleged in a new lawsuit Friday that the backup appointment of a court-appointed independent counsel investigating the affair, Lawrence E Walsh, at 2 Justice Department prosecutor is just as unconstitutional as his original assignment. The Washington Post reported.

Attorney General Edwin Messe 3d appointed Mr. Walsh in an effort to make unnecessary the lar-suit Colonel North had filed early challenging the constitutionality of Mr. Walsh's original appointment.

INTERNATIONAL CLASSIFIED

A market leader

INTERNATIONAL **ESCORT**

USA & WORLDWIDE Head office in New York 330 W. 56th St., N.Y.C. 10019 USA 212-765-7896 212-765-7754

ESCORTS & GUIDES

MAJOR CREDIT CARDS AND CHECKS ACCEPTED Private Memberships Avoilable

LONDON Portman Escort Agency 67 Chillers Street, London W1 486 3724 or 486 1158 tolor cradt cords accepted LONDON

KENSINGTON ESCORT SERVICE O KINSINGTON CHURCH ST, WI TEL: 937 9136 OR 937 9133 All major credit cards occupted. LONDON

BELGRAVIA Tel: 736 5877 **ARISTOCATS** Landon Eccort Service Wignore St., London W., Ispor Credit Cords Accept Tel: 437 47 41 / 4742

57 Beauchamp Mace, London SW3 Tel: 01 584 6513/2749 (4-12 pm)

TOKYO BEST MULTILINGUAL Excer Agency, Tokyo 436 4578.

TOKYO ESCORT/GUIDE SERVICE.

LONDON NATASHA ESCORT Service. London/Heathrow 01-373 8849.

ONDON ONLY JAPANESE ESCORT Service, Tel: 07 370 0634.

CORT SERVICE TEL: 727 8688

IONDON GERMAN FRENCH ALL orce Escari Service. Tel: 245 0080

ATHENS. EXCLUSIVE ESCORT and Guide Service. Tel: 6527084 VIENNA VIP ESCORT SERVICE. Tel: 65 41 58.

FRANKRURT NUMBER ONE Scort Service, Tet 069/84 48 75 or 84 48 76.

LONDON GERMAN ESCORT Service, Tel. 724 7932, Amex accepted LONDON HEATHROW Escort Ser-vice, Credit cords, Tel: 589 0631.

FRANKFURT - PETRA ESCORT & Trovel Service, Tel. 069 / 68 24 05

MELAN V.LP. INTERNATIONAL S.-cort Service. Tel: (392) 461125.

MILAN EXCLUSIVE multifrigued Escort Service, Tel: (392) 869 1479

CARMELLA London Except Service Credit Conds Accepted, 243 0309.

CENTRAL LONDON / Healrow 5-cort Service. Credit cords. 743 8352.

CHARLENE GENEVA GUIDE 167422. Tol: 283-397.

LONDON SWEDISH ESCORT Service. Tel: (7)-834 (89).

ice. Tel: 62 88 65.

(Continued From Back Page) ESCORTS & GUIDES **ESCORTS & GUIDES ESCORTS & GUIDES** ISBAEL VIP SSCORT SERVICE. Tel: 03-295536 CHELSEA ESCORT SERVICE

WORLDWIDE ESCORT SERVICE 212-838-8027 or 753-1864 GENEVA ESCORT SEXVICE. Tel: 46 11 58 **AMSTERDAM** ** Z U R I C H ** CLASS ESCORT SERVICE

020-253442 GENEVA * DESIREE * ESCORT SERVICE. 022/21 99 61 MAYFAIR CLUB

REGENCY NY

ESCORT SERVICE Tel: 01 72727 67

Private Tourism Guide Service Credit Cords Accepted

**** MADRID

***** ZURICH

* AMSTERDAM * ESCORT SERVICE, 48 11 20 CAPRICE-NY ZURICH - NATHALIE SCORT SERVICE IN NEW YORK TEL: 212-737 3291,

ENCORT SERVICE 01/47 55 82 *****GENEVA BEST ndon Student-Secretar ESCORT SERVICE 022/21 03 40

** ZURICH ** op Escort Service. Tel 01/41 76 09 * ZURICH 558720 ** ROME CLUS EUROPE ESCORT & Guide Servics. Tel: 06/589 2504 or 589 1146 (fram 4 pm to 9:30 gm) TOPCATS INTERNATIONAL Scorts. London & Healthrow grace, National 062982 4531, int'l 62882 4531 ilamour Export Service. Tel: 259 90 02 RANKPURT & SURROUNDINGS Conding's Escort & Travel Service Tel: 069/43 57 63. KOBIN - D'DORF - BONN - ESSEN + area LCA Excert Agency, Gredit Cards. Tel. (0211) 34 00 84, sale Escort Service 01/463638

ESCORTS & GUIDES /IENNA - KING SALOMO'S Esco Service, 587 01 82.

of more than 1,200. The song was a

LONDON DOMINA VIP Excert Ser-vice. Tel: 589 3177 NADRID, ORQUIDEA ESCORT and Guide Service, Multilingual, 45659726 MADRID, KARINA ESCORT Service. Tel: (34) 1. 5212645.

SOPHRE FRENCH speaking EEC Esca Service, Tel, Landon: 01 723 1117, HAMBURG - 040/480 75 63 Domeli Escort Service, chadit cords welcome MUNICH - SECRET ESCORT & Guid Service, Tel: 087/ 44 86 038. MUNECH - BLONDY & TANLA Excert Service. Tel: 311 79 00 or 311 11 06. AMSTERDAM ROSITA ESCORT Ser-vice. (1) 20:362633 AMSTERDAM SERNADETTE Esco Service, Tel: (1)20-32779 BEVERLY HILLS BUTE Excert Service (8) 8) 700-1131

ONDON HEATHROW VIVIEN 6, cort Service, Tel: 386 7671 STOCKHOLM • ESCORT SERVICE. Tel. 7610693. MUNICH - REMEMBER ESCORT Ser vice. Tel. 91 23 14 TENNA YOUNG ESCORT Service Tel: 83 33 71. ZURNCH FIRST CLASS ESCORT Ser-vice. Tel: 01/252 90 18. WAS 18t 01/22 7V 10.

MADRID IMPACT escort and guide service. Multimigual 26t 4142

COPENHAGEN/ Societolim Miss Scondinova Scort Service. (45)01-54 17 (6)

AGENEY

LONDON BLOORT Tel: 935 5339.

LONDON ESCORT SERVICE. Tel: 979

Edward Zorinsky, 58, a Nebraska Democrat, died Friday night after suffering a heart attack while perthe Republican Party on important forming on stage in a variety show at the Omaha Press Club. issues, was serving his second term in the Senate. Mr. Zorinsky, a former mayor of Nebraska's new Republican gov-Omaha, collapsed shortly after he ernor, Kay Orr, is to name a succesleft the stage, where he performed a song and dance before an audience sor to serve the remainder of Mr.

Edward Zorinsky Dies;

Senator From Nebraska

Zorinsky's six-year-term. Mrs. Orr, a Republican, could appoint a Republican to fill the seat, which would narrow the Democratic majority in the Senate to 54-46. Other deaths: James W. Blanchard, 83, a retired rear admiral who was awarded a Navy Cross for sinking a Japa-

nese aircraft carrier while

commanding a submarine in the Battle of the Philippine Sca in 1944, of respiratory arrest Thursday in Annapolis, Maryland. Maria Jolas, 94, an Americancorn translator and founder of the terary review Transition, who was one of the last survivors of James Joyce's Paris circle, Wednesday at ner home in Paris, where she had lived for almost 60 years.

CONDOS. USE THEM

IN 600D

HEALTH.



Edward Zorinsky

played and composed for the Jimmie Lunceford and Count Basie orchestras in the 1930s, Friday as a result of a fall at his daughter's house in Brooklyn, New York.

Charles Gossage Grey, 92, a forner U.S. diplomat in Paris who first came to France in 1916 as a volunteer in the Lafayette Flying Eddie Dusham, 80, a jazz trom-Corps, for which he became an ace, bonist and electric guitarist who Friday in Palm Beach, Florida.

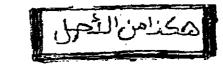
DOONESBURY











ov hospane have a Ravиона С 🗀 . bed at St. Jane in broken jes and with a in what he described nelse of care: !: said. There were t cause they wanted Graham Drus . burght were warning video when the 🤊 🗈 "No warning moin People were further plass window a 72% of Other passenger

INTERN SN 100 STOCKS Brokers

Guarantee See Paris See Pa Short to

Ż

eage Center c vedoy, Wednes li comes or ance bee recent

If you have and opped you Short and your inducing Business! Wentz' Court Just Coll, with diproper and your Rote \$ \$120 The Reform and home buyers

makes to larmers, so

White House also is seeing the believed budger. And he had been an army the believed budger. And he sail hopes so we the a

to wto individual spends:
a maney balls without have

Me whose the Congress has ignored the throughout Mr. Re-

bacede that they have en

state for practiced for the

desired and said they well

The state of the light

Recent might have

the missions. Gid a femoral in the Research

Il something and in

Regan once attached as

and to budget bother their

White Figure come has

month in charge of a graph

Regard was parentally

e se berbauch 1 pages .

businesses do the see

he government asset &

The government of

A person a copy of the

CORES BANG A CAPITAL SEASON

SE MECO TO CHEW A CONTRACT OF

316 by allowing the 34

to transier por party Ch.

ACCOUNT THE PROPERTY

The required to the same

pt Funds

to be applied some far-

a democratic constant

to person when the tree

med Company of the

irem (S minus Line

lenel Neath and the least

B. Attention to the second

biga to carry water to

the that it was easy.

V In h one in

e Teur min

Plant reference out over

and the train

MG 175 455

BRANCH NO HOLE

Marian . . .

CAMP - OF BOTH

Application of the second of t

4.35 W

the france of the tax

解 45年 - 2000 000 000 000

🏚 i let bewer Sections of the Section

推 かっかい エナンプル

and the second Mr. Macrael or≥=4

478.

Project garden

2000 and 120.2

: costrax

eg and reaming

en miratite bicheef

ald of Free Enterprise.

know how much."

five years,

with another ferry.

Impact on Channel Plan

plans to build. The Associated

One of the fears about the pro-

FERRY: Water Entered Bow

posed railroad link, known as Eur-

said one potential scenario involves

a rapid shift in ballast that caused

the boat to lean a bit to port or

The doors would then be closer

to the water on the ferry's port side

or bow, perhaps close enough to

In such a case, the weight of the

water entering would make the

boat list even more, which in turn

down in the bow.

allow the water to enter.

Press reported from London.

THE CHANNEL FERRY DISASTER: Stability of the roll-on, roll-off type of vessel is an issue

Open Spaces, Other Features of Ship's Design Questioned New York Times Service LONDON - The ferry tragedy outside the Belgian port of Zee-brugge on Friday has raised questions about the design of the rollon, roll-off type of vehicle-carrying ship involved in the accident, ac-

cording to marine experts. The British government started a preliminary investigation Saturday into why the Herald of Free Enterprise, a British vessel, heeled over and capsized in just over a minute, shortly after leaving the Belgian port on the North Sea.

"Our investigators are already there," said Lord Brabazon, the British shipping minister. "But it is too early to say precisely what hap-

Independent maritime specialists said roll-on, roll-off car ferries big boxes. With these vessels, if very quickly. become unstable quickly if flooding reaches into the vast decks that hold the automobiles.

The Herald of Free Enterprise, ments that would hinder cars driving on and off or stop flooding.

(Continued from Page 1)

"With who?" a buddy chimed in,

and the group, some with blood on

Across a corner of the lobby

floor filled with drying shoes and

assorted passenger flotsam, Tracey

Edwards dandled her 1-year-old

son, lan, who burbled and grasped

"He wouldn't sleep is what saved him, because my husband had just

picked him up out of the baby

buggy a second before the boat

went over," she said. "We were

hanging onto tables so we wouldn't

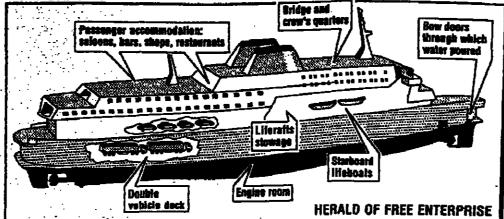
my husband held on to the baby."

said. "There were men fighting be-

at an interviewer's microphone.

their shirts, laughed in brayado.

pocket," one loudly announced.



water comes in, they go down very

quickly."
Clive Langmead, a former now a marine consultant and journalist, said, "The roll-on, roll-off ferry is a safe design, but a very

"It is a car ferry, and such a large "It was bound to happen at some stage," said Alan Thorpe, a ship-said Lieutenant Alan Tate of the such vessels were lost in accidents

time journals. "These ships are just tion. The ship will take in water by bulkheads.

without incident since it was built ously considered.

Despite the generally good safety record, questions about the safety of roll-on, roll-off vessels have been raised in the past. In 1980, the Inter-Governmental International

ping expert who writes for mani- Royal National Lifeboat Institu- than ships with deck areas divided

The alternative - placing parti-Roll-on, roll-off vessels have tions to separate cars - would been used as car ferries for decades make loading and unloading far throughout the world. The Herald more time-consuming. To date, Townsend Thoresen official who is of Free Enterprise had operated that alternative has not been seri-

Townsend Thoresen has 24 ferries, including two in the same class as the Herald of Free Enterprise. In the summer, the company is ex-pected to bring into service two 'super ferries" to make the crossing between Dover and the French port of Calais and carry about 2,000 passengers each, twice the number usually carried by the Her- France is that passengers would be engulied by fire in the event of an The effect of the accident on the accident.

ferry industry, which employs more Plans call for trains to carry pasthan 10,000 people in Britain alone, sengers and cars from terminals is uncertain. This will undoubted near the ports of Folkestone, Enly damage the market, prompting gland, and Calais when the tunnel some people to fly and others to is completed in 1993. out off the trip," said one maritime

There also are concerns that the analyst. "But it is very hard to tunnel might be vulnerable to terrorist attacks and sabotage.

Each year roughly 23 million passengers and 2.5 million cars The tunnel consortium, a private group with no financial support make the trip by ferry and hoverfrom either the French or British craft between Britain and the Concovernment, insists that its plans tinent, with 250 crossings a day, for building and operating the 31making the waters the busiest seamile (50-kilometer) tunnel are safe. lanes in the world. Yet there have Proponents point to the success been only five major incidents inwith which the Swiss railroads have

volving passenger ferries in the last been carrying passengers and their cars through Alpine tunnels for Until now, the worst was in 1982 more than 30 years. when six persons were killed when Critics argue that the fact that the European Gateway sank off passengers will remain with their England's east coast after colliding

vehicles substantially increases the risk of a fire. Eurotunnel's plans call for three tunnels to be built. One would car-

The ferry disaster will likely ry northbound traffic, one south heighten safety concerns about the bound traffic and the third would tunnel under the English Channel be a central service tunnel. that a British-French consortium

During an emergency in one tunnel, the other two could be used to evacuate passengers. Access points between tunnels are to be spaced otunnel, between Britain and every 1,237 feet (375 meters).

Lewry's life was not in danger.

afternoon.

For Worried Relatives, A Bitterly Long and Tense Wait for News

Prime Minister Margaret Thatcher of Britain hugging Lisa

Fisher, 4, at a hospital in Blankenberge, Belgium. Lisa and

her parents, Paul and Barbra Fisher, of Northampton,

England, were among the survivors of the ferry accident.

By Howell Raines

The ship's captain, David Lewry, survived the accident. He suffered emotionally drained relatives of the cafeteria. a punctured lung and was in intendozens of passengers listed by the sive care in St. Jans hospital in company as missing gathered at the of patience displayed," said Major Brugge. A doctor there said Mr.

The doctor said that until Sunday the captain had been unable to talk with investigators. However, there were reports that he met briefly with some officials Sunday The disaster's survivors were tell-

ing gruesome stories of miraculous stricken vessel escapes. Most of the survivors appeared to have been in the upper sections of the boat, such as the tional memory. lounge, cafeteria and tax-free

When the boat began listing, people apparently began sliding to the port side - instead of being to safety, of another man who horizontal, the floors essentially

became vertical drops.

A net was stretched across the ferry's stern following reports that barrels of toxic matter were on

New York Times Service

lice station in Kent.

trated on the debate over the safety in anger but at the delay in getting of the roll-on, roll-off ferries. The the news." broadcasts on Saturday increasingly featured tales of heroism from the dark, frigid interior of the

Some of those accounts seemed likely to etch themselves in the na-

The British Broadcasting Corp. carried stories of a missing man who allowed his body to be used as a bridge so that others could climb clambered about the ship carrying a baby by holding its clothing clenched in his teeth and of a little girl who complained about the un-

fairness of dying in the accident. "i've been ever such a good girl," A Belgian official said 60 to 70 she told the woman who rescued

the Townsend Thoresen headquar-LONDON - During the day, ters and lodged in the company

"There was a surprising degree Townsend Thoresen headquarters Eric Bentley, the leader of a group in Dover and at the Maidstone po- of Salvation Army counselors working in shifts at Dover. "Any Television broadcasts concen- kind of distress was not displayed

"We've been rather surprised at the courage they're displaying," he added, saying most of the people waiting in Dover had relatives among the crew members, many of whom are also missing, "The main problem is this delay in news. People were very tense because they don't know whether their relatives

Jane Lawrence, a press officer for Townsend Thoresen, said employees had been hit hard emotionally by the accident.

"This is a family kind of company in many ways," she said, citing close bonds between crew members. "We're all very proud of the fleet and the company. We're very distraught about it all, really. It really has pulled us together. We're doing our best to make it as easy as possible for the people who have been affected by it."

owned by Britain's largest ferry op-erator, Townsend Thoresen, had two such car decks, which run from one end of the ship to the other.

They are like a short stretch of road inside the ship, without compartments that would bind or compartments that would be compared to the ship to the other. They are like a short stretch of road in side of the ship to the other. They are like a short stretch of road in side of the ship to the other.

SURVIVE: The Rescued Recall a Scramble for Life ther down toward the lounge's ing. After the emergency lights had port-side wall as it tilted and be-held for only an instant, according came the floor, recovered by climbing up the lounge table legs that were boited to the deck.

before long some sense settled in and everyone was helping," said Dick Murtland, a brawny truck driver like Mr. Cardwell. Both of them stayed aboard to hoist passengers to safety up the rescue ropes, dropped 30 feet down from the starboard portholes. Both feared a high number of the missing might be their colleagues who had stayed below decks sleeping in slide down into the water. There their trucks before the ocean

was lots of panic and screaming but One such driver, Joseph Kay, scrambled for his life from the cab Raymond Cook, speaking from a scrambled for his life from the cab bed at St. Jan's Hospital, had a of his truck. "I climbed up a truck, broken leg and was slashed by glass in what he described as an initial the one on top of mine," he said. "I saw the door I was looking for, but it was above me." melee of pame. "It was terrible." he

He could not recall how be was sensing that breaking up and out able to get through the invading was their only possible escape because they wanted to get out."

able to get through the invading was their only possible escape Graham Drory said he and his waters. "I could hear people shout fore the boat plunged deeper. family were watching a shipboard ing from other cabs: Help me! Ie-

"People were hurled trough plate-glass windows, partitions buckled." Survivors said the

to passengers, the screams of peo-ple bobbing in the water could be ere bolted to the deck. heard echoing across the ocean "We climbed up the seats, and pool below, where empty life jackets floated and glowed.

Survivors said they had shared the conviction that the boat was headed deep to the bottom. "I was thinking, Will it be

quick?" Mr. Southgate said. "And I thought, 'No, it will be slow,' and just analyzing it that way was aw-Thus, when some passengers

sought to break open the starboard porthole windows, now up above, there were screams from people who feared that the last vital air pocket would rush out. "Don't break the windows!"

came the cries. But others feared to the contrary,

There was fresh shock among the video when the hoat slipped over. "sus help me!" But I couldn't do survivors when the first rescuers, "No warning, nothing," he said, anything Maybe they're okay, and heralded by sky flares, landed above at the portholes and an-Survivors said the darkness with- nounced that the passengers would Other passengers, trapped fur- in the ferry was particularly terrify- descend no farther.

BUSINESS MESSAGE CENTER

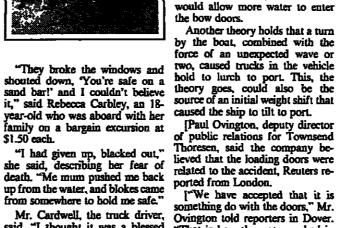
SALES AGENTS NEEDED

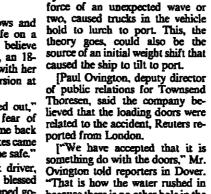


\$1.50 each.

from somewhere to hold me safe."

said, "I thought it was a blessed miracle when the boat stopped going down."



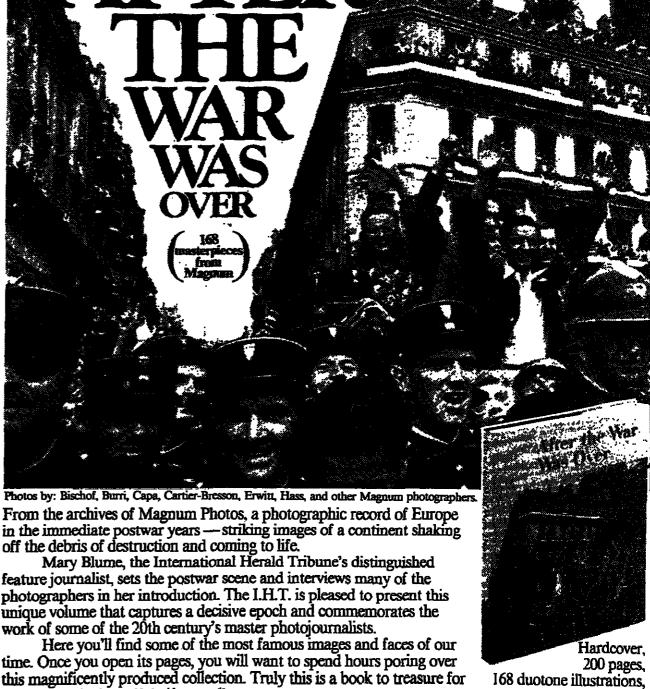




feature journalist, sets the postwar scene and interviews many of the photographers in her introduction. The I.H.T. is pleased to present this unique volume that captures a decisive epoch and commemorates the work of some of the 20th century's master photojournalists.

time. Once you open its pages, you will want to spend hours poring over this magnificently produced collection. Truly this is a book to treasure for yourself, and a beautiful gift as well.

Available from the International Herald Tribune. Order today.



Beam your sess message to a cudience of 375,500 and investors.

The vour ad, note that the first line of the cudions. Wir

The International Herald Tribune's Business Message Center appears in the Classified Section every Tuesday, Wednesday and Thursday. It carries ads for a wide variety of products and

services (see recent sample selection above). If you have a product or service with international appeal, you can get your ad into the IHT within 48 hours and you have 16 headings to choose from, including: Business Services, Financial Services, Financial Investments, Commercial Premises, Office Services, etc. Just call, write, telex or fax us in Paris before the close of business and your ad can be running within two days. Rate is \$12.00 per line with attractive discounts for

Subsequent lines take up to 36. No abbreviations. Minimum space: 2 lines. Please include complete and verifiable billing address.

Max Ferrero International Herald Tribune 181 Ave. Charles-de-Gaulle, 92521 Neutly Cedex. Tel.: (33-1) 46 37 93 85. Tk.: (HERALD) 613 595. Fax: (33-1) 46 37 93 70 or your nearest I.H.T. offices.

AFTER THE WAR WAS OVER

(Please note that French residents may pay by check in French francs, at the current exchange rate. We regret that checks in other currencies cannot be accented.)

Please charge to DAccess DVisa DAmex my credit card. DEmocard DDiners DMastercard

International Herald Tribune, Book Division,
181 Ave. Charles-de-Gaulle, 92521 Neuilly Cedex, France.
Payment is by the Enrope and only. All major cards are accepted.

Please send me_____copies of After The War Was Over at U.S. \$45.00 each, plus postage: \$5.00 each in Europe; \$14.00 each outside Europe.

		CATINGIA.
Name IN BLOCK LETTERS)		-
Address		<u>.</u>
_ City and Code		
_		9-3-87

32x26cm (12.5x10.25in.)

Herald Eribunc

multiple insertions.

Herald Eribune.

And What About Israel?

life imprisonment. He deserved severe punishment. He took money for stealing huge quantities of major U.S. secrets over a period of 18 months. To go easy because he was shoveling information to a country that is a friend would condone his compromising of specific secrets, of intelligence sources and methods and of American freedom of action. It would encourage hostile countries to recruit "false flag" spies (the KGB lured Jerry Whitworth of the Walker case to spy

for "Israel"). It would undermine security. And what about Israel? It acknowledges only a "rogue operation." But the handlers were responsible officials. Connections to the embassy were strong — the guilty man ran there. He was "tasked" biweekly. What he stole would have filled a small room, floor to ceiling. The material seems to have been eye-popping. So high officials, receiving this staggering take for all that time, never thought to ask where it came from?

Once their man had been caught, two of Mr. Poilard's handlers rushed back to Israel before they could be questioned. Only a small portion of the documents stolen were returned, and only copies. Having promised to "call to account" those involved, and having been advised that one of the two men. Colonel Aviem Sella, was about to he

Jonathan Pollard has been sentenced to indicted, the Israelis promoted him. Why? The suspicion is overwhelming that Israel did something terribly wrong and is now covering up and counting on its high strate-gic and political standing to spare it further costs. This is a country that enjoys extraordinary U.S. intelligence cooperation as a matter of course, that is moving to reap major new indirect forms of U.S. aid now that its extraordinary \$3 billion a year in direct aid is leveling off, and that is crucially dependent in the long run on American trust.

The State Department says U.S. officials will not deal with the indicted Colonel Sella. That is not enough. The Israelis owe the full story of the raid on American intelligence computers. The affairs and societies are different, but President Reagan has just set an excellent example of accountability. Will the Israelis prefer to wait for widespread American political exasperation and the consequent pressures that are sure to be urged?

The Israelis want to bury the affair. But it forces a fundamental probing of just what the mutual obligations of Israel and the United States are. Many people have a feeling of having been taken for a ride, and that feeling could take forms that the Israelis cannot possibly want to see. They need to do something about it - and fast.

- THE WASHINGTON POST.

A Third Reagan Term

mistake is this: You take your knocks, you learn your lessons and then you move on ... You put things in perspective. You pull your energies together. You change. You go forward.
That does not sound like an inaugural

address, yet an inaugural address is what President Reagan's speech last Wednesday amounted to, an appeal for a fresh start. He is desperately eager to extricate himself from the Iran-contra quagmire. One could almost hear him grit his teeth as he accepted responsibility, pledged obedience to the law, promised energetic leadership.

It is not in anyone's power to grant that fresh start. Questions about his credibility will hang like thunderclouds until Congress and the independent counsel conclude their investigations. Still, the world won't stop, and the commander in chief insists that he

is eager to command, to start again: My fellow Americans, I have a great deal that I want to accomplish with you and for you over the next two years.

If he is serious about governing, not just about escaping the muck, he is entitled to public support. Is he serious? To judge by what he says, the answer is an incredulous no. To judge by what he seems ready to do, it may be a hopeful yes.

On Thursday he expanded on what he wants to accomplish "with you and for you over the next two years." He cited his Strategic Defense Initiative, a constitutional amendment requiring a balanced budget, and anti-abortion legislation. That would be a dispiriting list, if only because the budget and abortion items are empty sloganeering.

Probably his most urgent task is to demonstrate respect for law in the foreign affairs arena, and here his pledges offer an encouraging start. His administration has

tion; it will now be hard not to. The missile defense initiative, while founded in hyperbole, has probably prompted Soviet flexibility on arms control. The news of Secretary of State George Shultz's mission to Moscow in April stirs hope that Mr. Reagan may yet find it possible, after the Reykjavik wreckage, to use his space-based defense scheme as a bargaining counter to negotiate

reductions in nuclear weapons.

Will the president also be able to negotiate reductions with Congress in the awesome budget deficit? Not if he keeps insisting on the gimmick of a balanced budget amendment, and not if he keeps pretending that he believes the low deficit figures in his new budget. Congressional Democrats are now soberly willing to consider new taxes. Will the president go along and become fiscally responsible, finally?

Congressional Democrats, disposed to perilous protectionism, will not show similar responsibility on trade unless the president leads. He has sent Congress an appealing package of proposals to enhance U.S. competitiveness in world trade. What remains to be seen is how much he cares.

No legislation is needed to heal a grievous gap plain since the first days of the 1980 campaign: the need to demonstrate respect, and concern, for black Americans. The hostile chill they feel troubles Republicans and Democrats. For a president who wants to achieve a great deal "with you and for you over the next two years," racial and social justice would be a splendid place to start.

Arms control, fiscal responsibility and social justice are not a liberal or a conservative but a realistic agenda. Can it be realized? If so, the president would make his third term the one to remember.

- THE NEW YORK TIMES.

A New Role for Italy?

As prime minister, Bettino Craxi brought vitality and a sense of movement to Italy's politics, qualities that had been lacking for many years. Under him the Socialists have begun to emerge as the first non-Communist counterweight to the Christian Democratic Party. The rivalry with the latter, and not any loss of public support, has now forced Mr. Craxi's resignation.

He had held the job for three and a half years, the longest run of any prime minister in Italy's postwar history, and the Christian Democrats say it is their turn. Their candidate is Giulio Andreotti, five times prime minister and a sharp contrast to Mr. Craxi as the personification of his party's ingrown, highly cautious, almost invisible style of political management, Mr. Craxi resigned with a speech calling for sweeping reforms of Italy's political structure, a clear challenge to the Christian Democrats.

Hammering a new government together in these circumstances will take time, at best. But despite Mr. Craxi's high personal standing, there is no evidence that the balance among the parties is changing dramatically. Because Italy recalls Mussolini and the Fascist catastrophe with bitter clarity, a lot of voters consider passivity and stodginess in government to be positive virtues.

prosperous ones for Italy, as for all of the industrial democracies. The economy has grown steadily. Inflation has fallen sharply, with as much political benefit to the Socialists in power in Italy as to the conservatives in power in the United States, Britain and West Germany. But if Mr. Craxi was lucky, he was also courageous, intervening forcefully to stabilize the economy.

He made several gestures - and they were highly popular — suggesting that the United States ought not to take Italy's unswerving support for granted. He refused, for example, to turn the Achille Lauro hi-jackers over to Washington, and last month he boycotted an international financial meeting on grounds that the United States and several others had settled the main questions before the Italians arrived.

More broadly, Italy argues that its economy is now as strong as Britain's and entitles it to similar status in the world's councils. But if it is to have that kind of status, it must be prepared to carry greater responsibilities than Italian governments have traditionally wanted. That is another choice that Italians will have to take up, as they proceed to construct their next government.

- THE WASHINGTON POST.

Other Comment

Europeans Shouldn't Dally

The reaction of Western Europe to Mikhail Gorbachev's initiative to eliminate Euromissiles has puzzled the Russians. The truth is that West Europeans do want a deal, and their sniffy reaction is little more than a negotiating tactic. An agreement would bolster right-of-center governments across Western Europe. But at a time when the Russians keep making new concessions, there seems no point in rushing to say yes. This strategy could be dangerous if taken

too far. It is possible that the negotiations in Geneva will get bogged down if NATO tries to squeeze the Russians too far, and that one fine day we will wake up to find that the nice Mr. Gorbachev has been replaced by a less congenial fellow. So it is important to be clear about what the West wants and

then try to achieve it fast. It is vital to demonstrate to ordinary West Europeans that firm defense policies can lead to disarmament.

> — Stephen Milligan, writing in The Sunday Times (London).

INTERNATIONAL HERALD TRIBUNE

JOHN HAY WHITNEY, Chairman 1958-1982

KATHARINE GRAHAM, WILLIAM S. PALEY, ARTHUR OCHS SULZBERGER.

LEE W. HUEBNER, Publisher

JOHN VINOCUR. Executive Educr • WALTER WELLS, Editor • SAMUEL ABT, KATHERINE KNORR and CHARLES MITCHELMORE, Deputy Editors • CARL GEWIRTZ, Associate Editor • ROBERT J. DONAHUE, Editor of the Editoral Pages

RENÉ BONDY. Deputy Publisher • ALAIN LECOUR and RICHARD H. MORGAN, Associate Publishers • FRANÇOIS DESMAISONS, Circulation Director • ROLF D. KRANEPUHL, Adventuag Sales Director International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92200 Neuilly-sur-Seine, France, Tel.: (1) 46.37.93.00. Telex: Advertising, 613595; Circulation, 612832; Editorial, 612718; Production, 630698.

Directeur de la publication: Walter N. Thayer. Editor for Asia: Michael Richardson, 5 Camerhay, Rd., Singapore 0511. Tel.472-7768. To: RS56928
Managing Dar. Asia: Michael Richardson, 5 Camerhay, Rd., Singapore 0511. Tel.472-7768. To: RS56928
Managing Dir. U.K.: Robin MacKirlan, 63 Long Acre, Lindon W.C.: Tel. 836-4802. Telex: 262009
Gen. Mgr. W. Germany: W. Lauerbach, Friedrichstr. 15, 6000 Frankfurt M. Tel. (069) 726755. Th: 416721
Pres. U.S.: Michael Conto), 850 Third Ave., New York, N.Y. 10022. Tel. (212) 752-3890. Telex 427173
S.A. au capital de 1.200.000 F. RCS Nanterre B 732021126. Commission Paritaire No. 61337

© 1987, International Herald Tribune. All rights reserved. ISSN: 0294-8052.



OPINION

Look for a Treaty Before Summer's End

W ASHINGTON — Strange bedfellows. It is not often that you will see the Reagan administration and the Soviet government on the same side of a nuclear debate. It is even rarer to see them arrayed together against a representative (albeit speaking for himself) of the quintessentially moderate Council on Foreign Relations.

But there they were on a television news show

last week. In this corner, the director of the U.S. Arms Control and Disarmament Agency, Kenneth Adelman, and the first secretary of the Soviet Embassy in Washington, Vitali Churkin. In the other, William Hyland, former Kissinger aide and editor of Foreign Affairs, the council's magazine. The issue was Euromissiles. Mikhail Gorbachev,

the Soviet leader, had offered Ronald Reagan what was originally a U.S. proposal: the "zero option," under which the Soviet Union and the United States would withdraw all their intermediate-range nuclear forces, or INF, from Europe.

Mr. Gorbachev's announcement was dramatic because he had been holding an agreement on INF hostage to some U.S. concession on strategic de-fense. Mr. Reagan refused. Now Mr. Gorbachev announced that he was "delinking" the two issues. You proposed the zero option, he said. We accept. Will you take yes for an answer?

The Western reaction is a fascinating study in nuclear politics. Officially, West European governments have welcomed the proposal. Privately, they are worried that the removal of the Euron will weaken the American nuclear guarantee that is

the pillar of their security.

This fear is shared by Mr. Hyland, Henry Kissinger and others traditionally associated with arms control. They oppose the zero option. On the other hand, the Reagan administration, hothed of nuclear hard-liners who reputed view arms control as a symptom of Western decadence, responded

By Charles Krauthammer

with enthusiasm. Within four days of the Gorbachev offer, the administration had put a draft INF treaty on the table at Geneva. What is going on?

Mr. Reagan wants the treaty not just because of the Iran affair. True, a treaty would make Mrs. Reagan and Congress happy and almost certainly lead to a summit photo opportunity with Mr. Gorbachev. But the administration was quite prepared to accept the zero option six months ago, long before Iran, long before it became a political necessity for an enfeebled president. The Reykja-vik meeting was meant to be an INF summit until

The war over INF has just begun, but the outcome can be predicted. The unilateralists will win.

Mr. Reagan and Mr. Gorbachev got to dreaming of a nuclear-free world and the summit blew up

over the Strategic Defense Initiative.
Why do hard-liners want a treaty on the intermediate-range missiles? To save SDL They recognize the liabilities of such a treaty: It will shake European elites who fought for deployment of U.S. Euromissiles and who fear a "decoupling" that will feed European neutralism. But they prefer the benefits: Negotiating an INF treaty will take up the remaining months of Mr. Reagan's presidency and show his bona fides as a peace lover and arms controller. That will leave little political impetus and no time for derailing SDI, either by emasculat-

ing it in Congress or bartering it at Geneva.

Given the choice between a nervous Europe and

an undefended America, they choose a nervous Europe. The INF treaty is God's gift to unilateral-

ists tired of having to play psychiatrist and body-guard to allies unwilling to defend themselves. The coming war among Republicans over INF will not be between pro- and anti-arms controllers. It will be between unilateralists and Atlanticists. Mr. Hyland is not against arms control, but he represents those who see the Atlantic alliance as America's paramount concern. In his memoirs, Alexander Haig called the 1981 zero option "a frivolous propaganda exercise." Mr. Hyland calls the new proposal "even worse." Why? Because it would "break the link between the defense of

Western Europe and American security."
Hard-line unilateralists argue that the purpose of U.S. Euromissiles is to deter the Soviet SS-20s. If both systems come out, that deterrent function has been fulfilled in a rather convincing way.

No, say the Atlanticists. That is only one purpose

No, say the Atlanticists. That is only our purpose. The other role of the U.S. missiles is psychological. It guarantees a "coupling" of the United States to the defense of Europe, "We put those weapons in for political reasons to reassure our allies," Mr. Hyland said. "We put them in because we felt some kind of providing and the processory to convince the psychological link was necessary to convince the Europeans that we would come to the defense of Western Europe if necessary, even using short-range

or intermediate-range nuclear weapons."

To which the American unilateralist responds, privately: Too bad. The Europeans had better start looking after their own defense. We must look after ours. Ours lies in the Strategic Defense Initiative, and the road to SDI lies through a treaty

on medium-range missiles.

The war over INF has just begun, but the outcome can be predicted. The unilateralists will win. Look for a treaty before summer's end.

Washington Post Writers Group.

The President's Ordeal May Be Merely Beginning

N EW YORK — Despite the Tower commission's report, the popular appointment of Howard Baker as White House chief of staff and Ronald Reagan's artfully craft-ed and delivered speech last Wednesday, the president's ordeal by investi-

gation is by no means over. First, as he himself says, the twin scandals of arms to the Iranians and funds to the contras "happened on my watch." No amount of moving "more furniture" or promises of fu-ture reform or calculated imagery can change that admitted fact.

Second, what exactly did happen on President Reagan's watch has not been adequately explored, let alone fully reported -as, again, his own speech made clear.

For only the most glaring examples, what became of the millions collected from the arms sales, and from other governments, that were supposed to go to the contras? Can Mr. Reagan's sketchy memory and shaky command of facts — both now acknowledged by him - be relied on when he insists that he "didn't know about any diversion of funds to the contras"? The Tower report scarcely reached these questions.

He confessed to the nation that in managing the National Security Council, his "management style" did not work. Then he defined that style as "to identify the problem, find the right individuals to do the iob, and then let them go to it."

By Tom Wicker

If he really did identify the problem in Iran as one requiring arms sales to "those who might assume leadership in a post-Khomeini gov-ernment," he failed to convey it to the "right individuals." Instead, as he said himself, he let his "personal concern for the hostages" override his "geopolitical strategy."

That cannot fairly be blamed on "some who served me" or on "activities undertaken without my knowledge." His own account suggests that either Mr. Reagan mandated a failing rescue operation carried out by people he designated, doing what they understood him to want done; or what he and the Tower report called his "management style" was ignorance and sloth.

If proper records of major security actions were not kept, as he complained, that is not just oversight; that is bad administration, or coverup. If Mr. Reagan has now ordered that the NSC refrain from undertaking covert actions, and that Congress be consulted "not only in letter but in spirit," he is six years too late, and raises himself the question whether he has been taking care that the laws be faithfully executed. Lawrence Walsh, the special prosecutor the administration wanted, has not impressed close observers as vigorously pushing his

investigation. But the congressional

inquiries that are now taking shape have constitutional, public-interest and political reasons to move beadmitted limitations.

The Senate committee will grant limited use immunity to Oliver North and John Poindexter, the former NSC officials who have refused on Fifth Amendment grounds to give their versions of events. That should open leads to the missing money, since Lieutenant Colonel North controlled one of the Swiss



ral Poindexter's testimony probably will be more valuable, disclosing far more than is now known about the

extent of the president's involve-ment in the NSC's operations. This will not prevent prosecution, if necessary. Senate investigators think there may already be a case of obstruction of justice against Colo-nel North. They can tailor public interrogation to permit later prosecutions. In any event, learning the truth of what happened — with its constitutional and other implications outweighs the value of prosecu-tions against relatively minor figures.

Nor will Senate investigators be diverted to narrowly focus on "covert operations" when the more important problem is "covert policy" - say, the public assertion by the administration that it would not sell arms to Iran, or ransom hostages, when it was covertly doing both. Similarly, while the administration professed publicly to be abiding by the law forbidding military aid to the contras, it was covertly using

private means and foreign govern-ments to provide just such aid. Senator Tower has insisted that the president did not "knowingly" mislead the public. But that is precisely what "covert policy" does, which is another good reason why Mr. Reagan's ordeal is not over and may be just beginning.

The New York Times

Israelis Are Endangering the Israeli-U.S. Alliance

The information about Mr. Pol- only 163 of the more than 1,000 docu-

W ASHINGTON — The Israeli-U.S. alliance, based on mutual admiration, shared values and common strategic interests, is being corrupted by Israel's contempt for

American sensitivities. Israel paid an American to turu spy, staked first claim to Soviet Jews no preferred America over Israel posted a military attaché in Washington whose record is both controversial and repugnant. If the relationship were a marriage, it

would be heading toward the rocks.

Jonathan Jay Pollard was an Israeli spy. For that he was sentenced to life in prison. The documents he turned over to Israel were, by his own admission, extremely sensitive. They included reconnaissance photos that report-edly enabled Israel to bomb Yasser Arafat's PLO headquarters in Tunis

— a near assassination for which the Arab world, reasonably enough, holds the United States accountable.

Intelligence information of that value, which was used at the highest levels of the Israeli government, is extremely hard to come by. Americans, who ask what their president

TSRAEL'S decision to cooperate

partially in the prosecution of spy

Jonathan Jay Pollard was a blunder.

In the process of providing only se-lective information to U.S. investiga-tors, Israel has seriously strained its relationship with the United States,

and an American devoted to Israel

has been sentenced to life in prison

Israel must accept a great deal of the

responsibility for this entire tragedy. It should not have "run" Mr. Pollard in

the first place, no matter how valuable

his information. As several angry U.S.

officials have said, you don't bite the hand that feeds you.

Why Wait for Spin-Offs?

In response to the opinion column "SDI Spin-Off Might Improve Life Worldwide" (Feb. 19) by Geoffrey Pattie, British minister of trade and industry:

Mr. Pattie leads up to something that needs to be made clear: the de-

velopment of abundant energy as a

necessary step to world peace. There

will be no peace until the world's needs are satisfied, energy being the main cause of political conflict. As

for feasibility, if a ground-to-space-

to-ground laser can destroy a moving

missile, a solar-powered space-toground laser can charge a land-based

with virtually no chance of parole.

By Richard Cohen knew and when he knew it, are enti- and Chatila massacres of 1982 in Bei-

In its own way, Israel provided an answer. Rather than punish those implicated in the Pollard case, it rewarded them. For instance, Colonel

Aviem Sella, indicted in the United States for allegedly being Mr. Pol-lard's paymaster, was named to com-mand Israel's second-largest air base. To all this, Israeli Prime Minister Yitzhak Shamir offers a nonchalant shrug of the shoulders. At a Washington breakfast, he appeared downrigh bored with both the Pollard affair and the fuss stirred up by Israel's role in the Iran-contra affair. Over and over, Mr. Shamir had the same re-

train: "It's not important." Maybe by itself it's not, but the Pollard case is just one example of Israeli contempt for American good will. Israel recently named General Amos Yaron as military attaché even though, on the recommendation of tary officer to the United States and

Pollard Was Israel's Responsibility and Still Is

lard's espionage activities that Israel

initially provided actually set the stage for his decision to seek a plea-

bargaining arrangement. He con-lessed and began to tell all only after discovering that the Israeli officials

whom he had trusted and with whom

he had worked had already given the U.S. government a considerable body

Feeling betrayed and abandoned by Israel, he began to inform the

prosecutors of even more incredible

details involving the scope of the es-

pionage ring — details left out by the Israeli officials. Israel has returned

energy collection system. The collec-tor design could be mechanically sim-ple, allowing easy erection in even the

It is sad that we feel we must wait

for spin-offs to a military program. Perhaps the Europeans will use the offer of the space shuttle to develop

this technology. It would benefit all.

Continuation of the present situa-

MARK ROTHERMEL.

Konstanz, West Germany.

tion would lead to destruction, with

or without nuclear war. No one, one hopes, would suggest killing off the 40 percent of humanity whom we are

at present unable to support.

most remote parts of the world.

of evidence against him.

LETTER TO THE EDITOR

tled to ask the same question of the lsraeli government.

rut. His appointment was an affront to Palestinian-Americans. Had they been Jews instead, it would never have been countenanced.

Canada rejected him when he applied for accreditation. His appointment, Ottawa diplomatically explained, was not "appropriate."

More recently, Israel asked Washington to deny Soviet Jews automatic entry into the United States, saying they should go to Israel first. Mr. Shamir, who pleaded this cause in

Washington last month, noted that Soviet Jews leave Russia ostensibly bound for Israel. Once out of the Soviet Union, though, many of them opt for the United States. They and Mr. Shamir obviously differ as to the precise location of the promised land. Israel's behavior smacks of arro-

gance. It employed Mr. Pollard and now acts as if a weak apology will suffice. It posts a controversial milian investigatory commission, he was relieved of command after the Sabra tion to do something about it. It as-

ments taken by Mr. Pollard, according to the U.S. government.

Earlier, Mr. Pollard had planned to

"dissemble," or fabricate stories to

get the American investigators off Israel's back. During the first few

days of questioning by FBI agents, while he was still planning his escape

to Israel, he made up all sorts of tales involving East Germany, Pakistan and other countries in order to con-

fuse his interrogators. Even after he was arrested outside the Israeli Em-bassy in Washington on Nov. 21,

1985, after unsuccessfully seeking asylum there, he remained deter-mined to lie about his involvement

with Israel. He was going to be devot-

In January he told me that he ex-

pected a life sentence. Now he and his wife, Anne, sentenced to five years for assisting him, hope that somehow Israel will be able to negoti-

ate a deal to get them deported to Israel. But what will Israel be able to

- Wolf Blitzer, Washington

correspondent of the Jerusalem Past,

writing in the Los Angeles Times.

ed to Israel until the end.

serts a right to Soviet Jews, forgetting or ignoring that America also consid-ers itself a haven for exiles. America has a historical mission, too, and while it is not biblical it is deeply felt. Israel enjoys great love and respect

in America, particularly from a lew-ish community which like a mother, has always been willing to forgive. But there are signs that it is taking America and the Jewish community for granted. The Pollard case is a nightmare-come-true for American Jews. In Mr. Pollard the Israelis created an anti-Semitic stereotype: an American Jew of confused loyalties who sold out his country. Indignation and shame are felt in equal measure.

The Israeli government seems to assume that American Jews will back it no matter what. A good deal of the time, unfortunately, that is correct. But the American Jewish community rejected Mr. Shamir's plan for Soviet Jews, squirmed at the posting of General Yaron (was there no other man?) and hurts from the wounds inflicted by the Pollard affair. By its conduct, the Israeli govern-

ment is croding the ultimate basis for the close relationship between it and Washington. Despite repeated pronouncements about mutual geopolitical interests, the essence of the U.S.-Israeli relationship is respect and affection - two democracies that share values much of the world does not share. But friends do not spy on one another and they do not take each other for granted.

The Israeli government does not seem to understand that. What can we expect next year from Jerusalem? The Washington Post.

Recasting The Rivalry In Europe

By Jim Hoagland

PARIS — Try to imagine the scene in the Kremlin as Mitchail Gorbachev tells his general staff about his swell idea to rescue Ronald Reagan's presidency, pull nearly 1,000 Soviet miclear watheads out of Europe and get European countries to think seriously for the first time in three decades about common defense efforts.

4 . .

5

5.5

5 :

,

ζ .:

5.5

 $\mathbf{z}_{i} \in \mathcal{C}$

. . Y

et. "I

eculi X

 $c_{\rm s}/2{\rm W}$

3 :::

"In return, comrade generals, by accepting Reagan's 'zero option,' we will touch off a great theological debate about the 'decoupling' of America and Europe. As Kissinger, Brzewinski and the other strategists are already saying. I am lamching a devisibly clever plot to weaken capitalist resolve over the long hand. Is that not worth a thousand of your wacheads?

Fither Soviet generals are very dif-ferent from the American senior offi-cers I have known, or Mr. Gorbachev has persuaded them that he is my to something else. The recent sugges-tions in this space that Mr. Gorbas chev would revive the zero option: and seek one last arms control si mit with Mr. Reagan will have llagged to readers that I think the

liagged to readers that I tumb the answer is "something else."

By reviving the zero option, Mn. Gorbachev has marched up to the Rubicon on military strategy. Despite evident dangers for the Atlantic alliance in his latest move, it is in American ca's interest that he get across and bring his military with him. On the far, shore lies a tacit but real acceptance. that the Russians cannot achieve the that the Russians camot acmeve the kind of strategic superiority over the United States that they sought in the 1970s with their unrelenting building of heavy and mobile missile forces.

Mr. Gorbachev seems realistic enough to recognize that he came to power two years ago confronted by dramatically different "objective circumstances." Besides enthusiastically building up the U.S. nuclear arsenal the Reagan administration was bran dishing the threat to bundle Westernia military technology together in the Strategic Defense Initiative, forcing military spending up to ever higher levels and snothering any progress by a reformed Soviet economy in its crib.

Mr. Gorbachev appears to have thrown his weight behind those Soviet military theorists like Marshal Nikolai Ogarkov who maintain that while nuclear weapons have their utility in grand strategy, Soviet deforts should now concentrate on reshaping conventional forces.
One of the keenest Western ob-

servers of Soviet strategy, Professor John Erickson of Edinburgh University, returned from a recent visit to Moscow with the impression that Sowiet strategic doctrine may now be shifting toward a policy of micean "sufficiency" that would not require the present high levels of micean a-mainents. He based this judgment on conversations with senior Soviet officials who told him that the Soviet Communist Party's Central Committee is modifying the "equal security," concept that underpinned the Sovie

buildup of the last decade. Viewed in isolation, the zero option raises more problems than it solves at this point. Withdrawal of the U.S. Pershing-2 and ground launched croise missiles will inevitably raise questions throughout Europe about U.S. resolve to help defend it. The initial vision of an SDI that would shield America alone from Russian missiles, and Mr. Reagan's performance at Reykjavik, have

already planted seeds of doubt. Moreover, the simultaneous pulling out of the U.S. missiles and Soviet SS-20 and SS-4 ballistic rockets will leave the Soviets at least temporarily with a significant advantage in shorter-range nuclear systems, pending new negotiations on this category of weapons.

American leverage will be weak in these talks, and Mr. Gorbachev's willinguess to make some unilateral consions will provide a key test of the theory that he is out to reduce Soviet: reliance on nuclear weapons.

But the effort to get an agreement that leaves both sides with zero medium-range nuclear weapons in Europeshould be viewed as part of a still unfolding attempt by Mr. Gorbachev to switch superpower rivalry from the nuclear/strategic playing field to another, still poorly defined arena.

He obviously hopes that the integrated set of proposals he has pro-

sented to slash nuclear weapons and

and to trim conventional forces "from the Atlantic to the Urals" willprovide the Soviet Union with significant advantage in that new arena But there is more than enough room for American negotiators and strategists to prevent such a feared result, and even to turn the trap on

Mr. Gorbachev, if it is such. On balance, negotiations on the zero option are now worth pursuing. The Washington Post:

IN OUR PAGES, 75 AND 50 YEARS AGO

1912: South Pole Found 1937: Japan and China LONDON - Captain Roald WASHINGTON - Foreign Minis Amundsen announces that he has

discovered the South Pole and that his object was attained between the Others hope that Captain Robert Scott has also found the Pole. In fact, until he has been heard from, millions of Englishmen will cling to the belief that he reached the Pole first.

ter Naotake Sato's speech before the Diet in Tokio (on March 8] was greet-ed with receive here It was promised ed with reserve here. It was poin 14th and the 17th of December, 1911. out that the turnover in Japan's foreign policy was probably connected, with the Japanese German extents. American officials pointed our that the foreign policies of Japan and Ger-many have common ends, eliminabelief that he reached the Pole first. This hesitancy in hailing Captain Amundsen is due in a measure to the silence of the Norwegian sailor, who, according to despatches from Hobart, Tasmania, where the Fram is now anchored, refuses to allow anyone to board the vessel. Captain Amundsen started from the Bay of Whales, 400 miles southeast of McMurdo Sound, which was Captain Scott's starting point. Striking direct for the Pole, he would have a shorter

offer the United States in return? Israeli intelligence experts recog-nize the seriousness of the problem. They know that other agents placed strategically and dangerously around the world are waiting to see what Israel does for Mr. Pollard — after what it did to him.

for the Pole, he would have a shorter ence in Nanking by proposing to Chi-distance to cover than his rival na a new pact of friendship.

(anto lero 34. (Make City or ∷ par No feets tore Abic Many Factor 4.5 General Floretrac dacate 4.3 be lei fesch a 4.547 m(pilitica e) 4.55.5 ... a loss of South lated Aide o Piperent des German Loccoies 175.30 kipalins du Vades

Both Kargyo Sara

wi led

-10.09 YON AN PARTON PARTY Y -5/Y/C r 35 occ

7 5,000 g

\$ 30 %

\$200

By Michael T. Kaufman

for the deaths of millions of Jews in World War II has flared in Poland's most influential Ro-

In the paper, Tygodnik Powszechny, an arti-

cie that is a soul-searching confession of shame and a call for the acknowledgment of the coun-

try's anti-Semitic past has provoked outraged charges of anti-Polish libels and proud asser-

The debate has generated such heat that the editors of Tygodnik Powszechny, a Catholic

weekly that is also the country's most important

independent journal, recently told readers that

they had received many letters "whose emo-

tional language and tone do not deserve publi-

Direspondents," the editors said, "the letters

lestify that anti-Semitism continues to exist in

the country, even though today there are practi-

The article that touched off the controversy

appeared on the first page of the paper in

"Contrary to the assertion of some of our

man Catholic newspaper.

tions of national honor.

cally no Jews left in Poland."

ecasting
ve Rivalry

Lurope

Tim Hoagland

13 Try to imprise in the Standard at Miking Corps is the general staff about the formation of the staff about the formation of the staff about t session delense ellem Course Service Reagan's zero opini h sensible decoupling of the famous at histories to make the other straight t thousand of your straight and the long hand to seeken straight and the long hand to seeken straight and the long to seeken str Soviet generals are said and the American Service of the American Service of the Soviet of the Sovie maded them that he is go whether then then be to a series of the space that Mr. Got a series the series of the eniving the are oping his

THE DES TRUE TO SEE m on malitary strategy by diagrams for the Allens of this latest make 2 is make the map and map one of the same of the sam the state out real acres RIEGE SPECTO States that they south to d was markly many the Gorbabar seem I to recognize that he was paro years ago control. scally different significant Boule Char But the L S mining The second rate of the the them to have be P Defense intuite to a abengraf ab m sa pa and Sauce accommons Container arrain to the west read their Openion was need to THE REAL PROPERTY. to grade theren inte Access to a construction

E MENTON CALL COLD of the attret were en Sar ware fix inciam Tunugin BRIDE OF THE STREET The state of the s make segan men A STATE OF THE STA meet mit was it tam ata British Line and first one with only boat 📫 ಆನ ಮಾಡುಗಳು BOOK WAS THE TOTAL be des Commentes عندهن الدر عالا 🌬 🛊 THE RESIDENCE TO BE The man promise E day for A sum In Process as Fi Marian Tolka San the question is included March 18 march 18

erecki est i terri-Range ou has a select participation of Residen h practice was distant MARKET AND THE PERSON OF 第13万元二年 1582 by 1 1 1815 C Butte is the transfer to Carried Section Range of The THE 18TH ALTERT 100 m take a live of Maria Contract PM WEST TO THE SEC SE · Basis B

E 4 200 - 100 Car State Control AND THE PARTY OF T A the arms in the second and succession of the same Mariante Caracan A STATE OF THE STATE OF 10 September 1

in: Japan and E

WENT TO SERVICE STREET

The state of the s

Market St. St. St. St.

R Maria

ority in conventional, or nonnuclear, forces and chemical weapons. [Appearing on a television interhad an imbalance in the 1970s in had an imbalance in chemical conventional and in chemical arms "before the Soviets ever put in arms "before the Soviets ever p

interest, "The International Her-

warned that such a treaty would

imperil the U.S. and allied position

in Europe because of Soviet superi-

Hot Debate Flares in Poland Over Charges of Anti-Semitism During World War II New York Times Service

Whether Poles bear any special responsibility

The deaths of millions of Jerus in World War January under the title, "Poor Poles Look at the

In the article, Jan Blonski, a well-known literary entic, agonized over what the moral response and attitude of Poles should be to the genocide of Jews that took place at camps in oland within the memory of many still alive. Mr. Blonski sought to draw distinctions begentiles for hiding and defending Jews than it had citizens of any other country.

He conceded that the risk was great for Christian Poles, as they were "next in line to the gas chambers." He noted that, since the Middle Ages, Poland invited Jews to settle when other European states expelled them. And he also recalled the view of historians

The editors of Tygodnik Powszechny, a Catholic weekly that is also Poland's most important independent journal, recently told readers that they had received many letters in the debate 'whose emotional language and tone do not deserve publication.

By Blaine Harden

tween culpability for the fate of the Jews, which lies with the Nazis and their collaborators, and the moral responsibility to acknowledge that fate and its meaning for the Polish nation. Yes, he said, Christian Poles also suffered

enormously during the war, and in Poland, unlike other countries, there were no Quisling collaborators at the national level. He acknowle edged that Israel had honored more Polish

who cite the natural increase of Jews in Poland in the 18th and 19th centuries as proof that they were better off in Poland than elsewhere.

But against these facts Mr. Blonski cited two overriding images from the poetry of Czeslaw Milosz, the Nobel Prize-winning Polish emigré

The first, from a poem called "Campo di Fiori," deals with a Sunday in Warsaw in 1943

children rode on a merry-go-round outside the walls of the burning ghetto.

In the second work, called "A Poor Pole Looks at the Ghetto," the poet reflects the dread he feels as he imagines a molelike watchman touching the bodies beneath the rubble of the ghetto.

The poet ends the second poem with an expression of a guilt that links passivity to collaboration. He wrote: What am I going to say, me a Jew of the New

Who has been waiting for 2,000 years for Jesus to return?

My broken body will betray me in His sight, And He will include me, uncircumcised, among the accomplices of death.

Mr. Blonski said that in moral terms, the issues suggested in the poems demanded expia-

"And how is this to be done?" he asked. "To clean Cain's field, we must first remember Abel. Abel did not live apart. He lived in our house, on our soil. His blood remains on the walls and has sunk into the soil whether we want it or not. It has penetrated our memory seeing ourselves truly. Without that, the house, the soil and ourselves shall remain branded."

The strongest rebuttal so far has come from Władysław Sila-Nowicki, 74, a lawyer who took part in the wartime resistance and served five years in prison after the war for his anti-Communist underground activities. He was once an adviser to the Solidarity free trade union.

In his response, printed in the Catholic weekly, Mr. Sila-Nowicki attacked Mr. Blonski for unintentionally supporting anti-Polish propaganda aimed not at the government but at the

Of the war, he wrote: "What could we do? Attack the concentration camps with the forces we had? To suffer enormous losses and doom all those in the camps? Let no one lecture us about unfulfilled moral duties, and let not Mr. Blouski say, as he did in his extremely harmful and untrue piece, that we came close to the crime of genocide."

At another point, responding to Mr. Blonski's accusation that more might have been done to rescue Jews, Mr. Sila-Nowicki wrote, "The passivity of Jews and their submission to Ger- on to shout, 'Crucify him, crucify him!'

preventing our giving greater help to Jews."

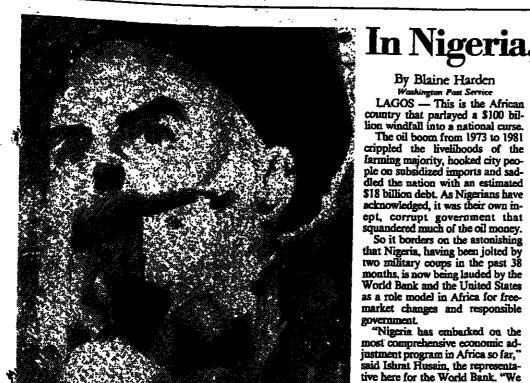
He mentioned his own associations with people he described as Jewish friends who died at the hands of the Nazis.

There is a large body of Polish opinion that would not consider itself anti-Semitic but that emotionally supports Mr. Sila-Nowicki's views and would regard Mr. Blonski as a defiler of national honor. Such people see themselves as members of a victimized nation, oppressed by both Nazi and Soviet occupiers and often betrayed by the West, for whose support it yearns.

But there also are people with such assumptions who would qualify as anti-Semiles. Mr. Sila-Nowicki's critics are divided on how to categorize him. Those who regard the letter as an expression of an old-fashioned bigotry point to his use of phrases suggesting collective failings and guilt of Jews.

For example, Mr. Sila-Nowicki, after saying the persistence of Jews was cultural and not biological, wrote, "In their veins flows only 1 percent of the blood of those people who shouted hosanna to the son of David and later went

In Nigeria, an Economic Recovery Fueled by Pride



A Beirut municipal worker painting over a mural of Ayatollah Ruhollah Khomeini as part of a Syrian drive to remove posters of the Iranian leader and other Moslem leaders.

BEIRUT: Iran and Syria at Odds

(Continued from Page 1)

eirut in January. The Syrian deployment has increased pressure in the Christian law and would leave the governsector for militiamen to turn their ment offices they are occupying positions over to the Lebanese

President Amin Gemayel, a the legitimate authorities. Maganite Catholic who is now en Annal Shake-Up Reported gaged in negotiations with the Syring Nabih Berri, the leader of the ans, has instructed his military Shitte Amal militia, expelled a for-

Green Line dividing the city, Christian militiamen stand guard along-side Christian units of the Lebanese Army. The gummen's presence as a reason for the delay in reopening more crossing points.

(Continued from Page 1)

them all sorts of information about

how wonderful everything could be

"And all that is interesting," he said, "and we try to take it all in

and look at it and make use of it.

However, we also keep making the

point that none of that is opera-

tional. The only things that are op-

erational are things that they put into play in an official channel.

And the basic official channel is

He declined to give details on

what had been put into play con-cerning strategic arms, but he said

that some proposals from Reykja-

vik were "inventoried and put in a posture where you could really work on them" during the latest

round of Geneva talks.

Geneva."

if, only so-and-so happens and they're ready to do this and that"

20s out. The problem is, NATO is not willing to come to grips with

known as the Lebanese Forces

shem, Amal's former deputy chair-

the SS-20" medium-range missiles.

["We still will have that imbal-

ance," he said, "if they take the SS-

not willing to come to grips with that, either through conventional

buildup or through innovative and bold arms control demands. We're

still going to have that problem."]

The treaty on medium-range missiles requires "intrusive verifi-cation," Mr. Shultz said, meaning

on-site inspection to supplement

the satellite photographs and elec-

tronic monitoring that are also

Beirut. They were kidnapped in Reirut to enable Christian army contingents to take charge of law and order. Simultaneously, miand hand the port of Beirnt over to

aides to draw up a security plan for mer second in command on SaturChristian East. Beirut with the day and dismissed other officers of ry evidence that may prove gan there was an illegal diversion of money, but rather that funds for eventual sim of requiring the city. the movement in southern Lebarelevant. Some handwritten presimoney, but rather that funds for

southern Lebanon on March 1. An cautions has surprised many of the official Amal statement said that lawyers associated with the Iran-Press reports said that, under a Mr. Hashem was expelled while contra investigations. At least six plan sponsored by Mr. Gemayel, four other southern regional Amal of those attorneys have expressed combatants of the Christian militia officers were dismissed. amazement that the White House has been handing out internal documents to various investigators, often without reading them or mak-SHULTZ: Hopeful on Arms Talks ing copies.

The possible testimony of Admiral Poindexter is seen as potentially the most serious problem for the

Admiral Poindexter has told friends that he is not ashamed of his actions or sorry for anything that happened while he was national security adviser. He has said he expects to be vindicated by history. He told one close U.S. Navy associate in December that his actions followed "the chain of command," according to this associate, who de-A well-placed legal source said

that in the first weeks after his departure from the White House used to confirm compliance with on Nov. 25, Admiral Poindexter and his attorneys planned to con-"Everybody is edgy about intru-sive verification." Mr. Shultz add-ed, "including us, including the So-viets. But I think that it's arms sales to Iran were generating

lion windfall into a national curse.
The oil boom from 1973 to 1981 crippled the livelihoods of the "Nigeria has embarked on the were never expecting them to do as

Ibrahim Babangida

sions when the choices are imposed on them from the outside," said exciting economic reforms in Afri-Tony Momoh, minister of informa- ca. tion and culture. "Nigerians believe there are things superior to reasoning. Things such as pride."

It was pride that kept Nigeria from accepting a loan of \$2.4 billion from the International Monetion from the International Mone-tary Fund in 1985, the year General Babangida seized power in a blood-The cherished perquisites of the Babangida seized power in a blood-The cherished perquisites of the Significance of the spining star of Africa. The conomic adjustment pack-these changes," Mr. Husain said, "Nigeria could be the shining star of Africa."

its knees last year. Shortly after coming to power, General Babangida opened what became known as the "Great IMF Debate." In the debate, a uniquely Nigerian plebiscite-cum-shoutingmatch that was carried on in the pages of the country's daily press, it soon became clear that the public saw the International Monetary Fund and its demand for economic reform as insidious instruments of greedy Westerners.

In addition, many Nigerians, having watched their leaders waste billions of dollars of oil money, said a loan would only increase the national debt by allowing officials to squirrel away more public funds in forcien banks.

General Babangida abided by the public's will and rejected the IMF loan. Then he began to put in place what Western economists call the most rigorous free-market changes ever adopted in an African

The U.S. ambassador, Princeton "Nigerians are so self-centered N. Lyman, said, "It has registered that they don't make rational deciernment that this is one of the most

> The changes have led to a drastic devaluation of the naira, the currency whose one-to-one parity with the dollar had been considered a symbol of Nigerian pride. A dollar now buys nearly four naira.

Car prices tripled. International air service foreign debt. This year, the fares doubled. School fees quadrupled for the 100,000 Nigerian families who send their children to

study abroad. The changes abolished an import licensing system that had made millionaires out of hundreds of Nigerians who used relatives and friends in the Ministry of Trade to obtain import licenses and resold import spare parts. Now businessmen simply import what they can pay for.

In broad outline, the reform package penalized the urban elite in favor of farmers. This is a risky business in Africa, where political

And while the changes embraced the free enterprise theology that the International Monetary Fund, the World Bank and the U.S. government are preaching across Africa, General Babangida appears to have persuaded a large portion of the Nigerian public that his re-

forms are "home-grown."
In his 1987 budget speech, he

IMF, there would have been riots or a coup d'état."

less coup. The money probably been subsidized by the overvalued most of its debt. Two years ago, 44 would have prevented the debt naira, fell victim to market forces. percent of export earnings went to crunch that brought this country to Car prices tripled. International air service foreign debt. This year, the government says, that burden has been cut in half.

While international banks and Western governments are delighted with the reform package, it has pro-voked howls of distress from the country's manufacturers. The reforms sharply reduced the number of imports banned from Nigeria. making local manufacturers vulthem to businessmen desperate to nerable to world competition for

the first time. Nigerians are paying a painful price for change.

Average per capita income for the country's 105 million people is 25 percent less now than in 1974. College graduates are all but unpower is concentrated among city able to find professional-level jobs, according to recent press reports

> Fortunately for the govern-ment's survival, the reform has coincided with two years of bumper crops. Local prices of staple foods have fallen in the past year.

Unlike most African countries said that "our structural adjust- facing several years of austerity as ment program was produced by they rebuild their economies, Nige-Nigerians for Nigerians."

"It is a political masterpiece," the oil revenue, even in a weak said Mr. Husain, the World Bank world market, can cushion the official. "If he had done exactly the transition from an oil-addicted to a same thing under the aegis of the mixed economy, according to econ-

"If the government can sustain

SWAPO Leader Assails U.S. Plan For Base in Zaire

HARARE. Zimbabwe Sam Nujoma, a guerrilla leader in South-West Africa, has criticized a U.S. proposal to use a military base in Zaire and urged the Organization of African Unity to intervene and halt the

He said the United States could use the base to intervene in the continent, especially in southern Africa. The base, Mr. Nujoma added, "is a threat to Africa as a whole because the front-line states could become victims of American actions like the bombing of Libya."

Mr. Nujoma, head of the South-West Africa People's Organization, made the statement Saturday to the Zimbabwean news agency Ziana. The frontine states — Angola, Botswa-na, Tanzania, Mozambique, Zambia and Zimbabwe --- are leading black Africa's fight against white-ruled South Afri-

is considering asking Zaire for access to a military base at Kamina, built by Belgium more than 20 years ago, for unspecified use in the future.

Mr. Nujoma, who was in Zimbabwe for talks with Prime Minister Robert Mugabe, arrived in Spain on Sunday for a four-day visit and a meeting with Prime Minister Felipe

much as they have done.'

ground to a halt.

Nigeria's transformation was not

entirely voluntary. It was forced by

last year's collapse of oil prices.

Foreign debt became unpayable

and shippers stopped delivering

But the past year's radical eco-

goods. Economic activity almost

nomic change appears to be more

than a last-chance maneuver to

avoid default. It derives from the

distinctively obdurate nationalism

of the Nigerian people and the deft

manipulation of that nationalism

by Major General Ibrahim Baban-

gida, the country's leader.

on the dividing line has been given man, to wrest control of Amal in now to take even routine legal pre-

president, one source said.

arms agreements. Soviet negotiators have reportedly advocated such on-site verification as well. something that we all have to face money for the contras. declined to say if this is the defense

Admiral Poindexter and his attorneys have repeatedly declined to comment. A friend of Admiral Poindexter said Saturday that the ongoing investigations have upset the "straight-arrow" admiral and that "his insides are tearing him

The Tower review commission report indicates that Colonel North believed Mr. Reagan was aware of many of his activities, including the arms-for-hostages dealings with Iran and Colonel North's help for private fund-raising for the rebels fighting Nicaragua's Sandinist gov-

The Tower report contains an April 1986 memorandum that Col-onel North prepared for Mr. Rea-gan, in which Colonel North said that \$12 million from one Iranian shipment would be provided to the contras. The Tower board found no evidence that Mr. Reagan read or received the memo.

Three sources said last week that Colonel North is asserting to his friends in the U.S. Marine Corps that he has remained silent thus far to protect the president. According to another source, Colonel North's lawyer, Brendan V. Sullivan Jr., has advised him that if he keeps quiet, According to this source, Admi- he can stay out of prison.

On the East Beaut side of the non, The Associated Press reported dential notes that may bear on the the contras contributed by Iranians case have not been examined or or Israelis were "an ancillary bene-The shake-up came after an provided to investigators, accord- fit" of the arms sales. The source abortive attempt by Hassan Haing to informed sources.

declined to say if this is the defense shem. Amai's former deouty chair.

The White House's failure until Admiral Poindexter plans to use.

CLEVELAND BRIDGE COSTAIN McCONNELL DOWELL McDERMOTT SAFEWAY SCHLUMBERGER SHELL UNIMIX **UNION CARBIDE** XEROX

What do these international companies know about Dubai that you don't?

AMCO

BLACK & DECKER

BRITISH PETROLEUM

They know that Dubai's Jebel Ali Free Zone has introduced exciting trade freedoms and benefits, enabling companies to set up trading and industrial bases easier in the Middle East.

Just look at these benefits-unique to Jebel Ali.

■ 100% foreign ownership.

 Unlimited transfer of profit and capital. No corporate taxes for a minimum of 15 years. No personal income taxes.

 No import duties/export taxes. ■ Unlimited cheap energy.

They also know that with superb facilities including an extensive infrastructure, state-ofthe-art communications, accommodation, hotels, hospitals, security and every modern amenity, Jebel Ali is a unique opportunity for Middle and Far Eastern markets.



Mr. Shultz's trip to Moscow, planned for April 13-16, was scheduled after Mr. Gorbachev an-TOUGH: Moscow's Body-Builders SHARE: nounced a week ago that he would no longer link the elimination of medium-range missiles in Europe

(Continued from Page 1)

to a broader strategic arms accord. As a result, Mr. Shultz said, Soviet way of life," one of the Lyubers reportedly told the Ogon-"there seems to be some prospect, perhaps a pretty good prospect, of yok writer. "We want to drive them from the capital."

getting something worked out in the INF field." The medium-range The author, in the end, was unmissiles are called intermediate nucertain whether the Lyubers were Pear forces, or INF.
Mr. Shultz added: "We place rightist ideologues, bored teen-agers, or hooligans manipulated by grownups grooming the youngsters for criminal activities. But he suggreat importance on the 50-percent cuts in strategic arms, and we want to keep that very much in the foregested that the conformist Soviet front. And the prospects there, of authorities had turned a blind eye

course, are less clear, but that course, are less cicar, out man to the victims. to work on them."
[In Washington, Senator Sam "Let's think about this," he In Washington, Schauer Sand the situation where certain groups in any case we don't go in for beat-Nunn, Democrat or of teen-agers don't believe they are ing people." vices Committee welcomed pro-gress Sunday on negotiations on of the law?" medium-range missiles as "in our

ed to the spread of Lyuber lore. interest. The interest But he when police plainclothesmen attacked Jewish demonstrators on a Moscow pedestrian mall last month, a Soviet government spokesman cited the Ogonyok article and asserted the violence was the work of suburban vigilantes.

In Sovetskaya Rossiya, in an interview under the headline "They Created the Myth of the Lyubers."

Academics' Plea (Continued from Page 1)

Chambers of the Parliament of the Major General Goncharev said the Ogonyok article was "all based on rumors, conjectures, exaggerations, juggling of the facts."

In Lyubertsi, a group of young body-builders who had been interviewed earlier by Ogonyok said they were embittered by the article. "They made us out to be a band

of hooligans," said Gennadi Mikheyev, an 18-year-old electronics student at a technical school. "We wrote. "Didn't we ourselves create rarely go to Moscow at night, and He and his friends conceded that

> had been fabricated. Mr. Mikheyev is one of a dozen youngsters who work out regularly in a makeshift gym in the basement of a five-story apartment building. The police say they have counted more than 50 such clubs involving

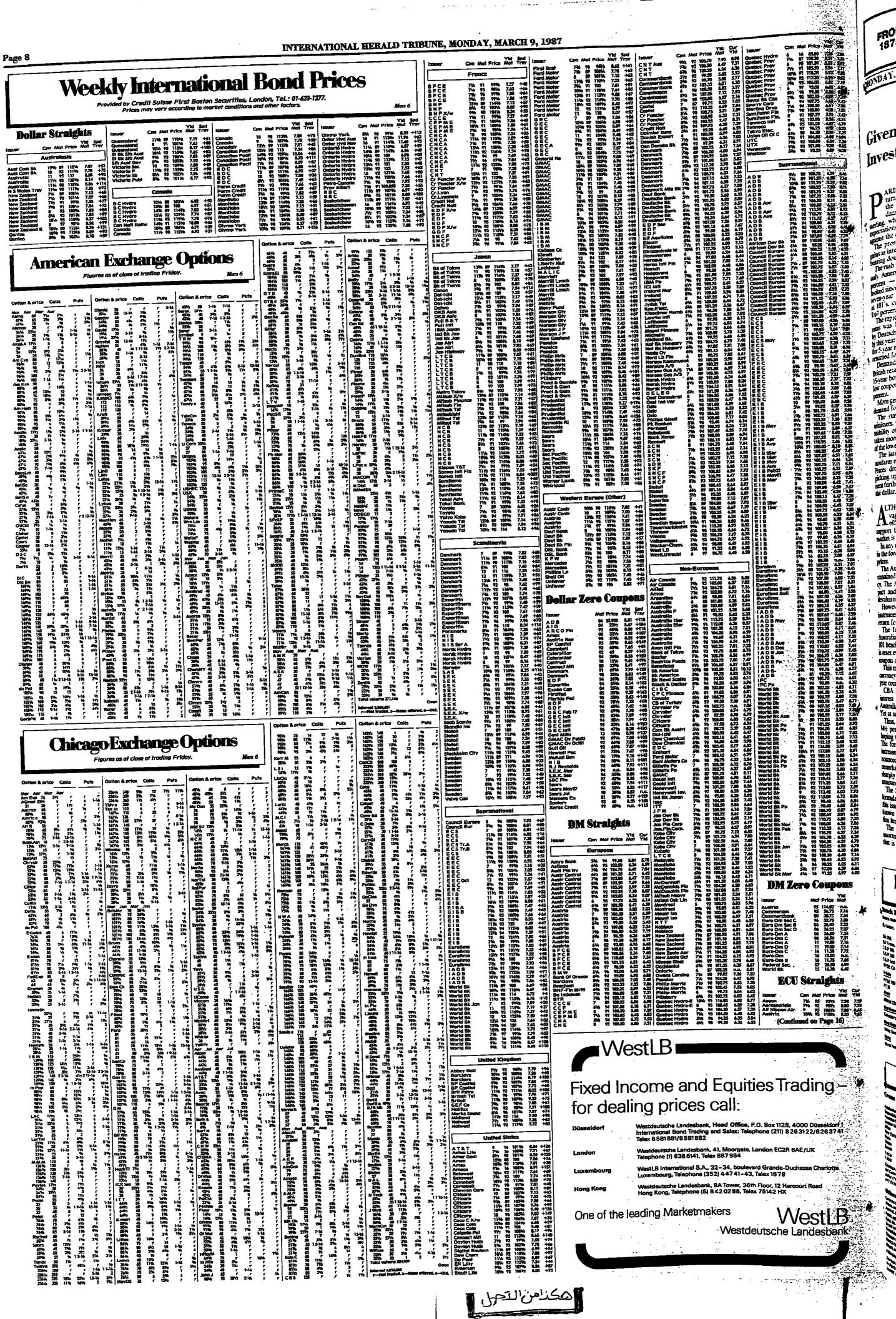
chambers of the Parliament, but Mr. Botha has ruled out setting up a fourth chamber for the nation black majority.

known as "Discussion Group '85,"

cause of their concern over the security situation. Parties on the left and right, meanwhile, stepped up efforts to form alliances for the May election. Colin Eglin, leader of the liberal Progressive Federal Party. launched his party's campaign Saturday with an appeal for other poli-

they did not have a high regard for Rightists in Election Pact hippies and punks. But they said Andries Treumicht, the leader of the concept of a vigilante squad the extreme right Conservative Party of South Africa, said Sunday that he had conditionally accepted a unity pact offered by Eugene Terre Blanche, the leader of the paramilitary Afrikaner Resistance Movement, Agence France-Press reported from Johannesburg."

apartheid to join in an alliance.



FROM 1875...

DAY, MARCH 9.

Given Choice i Investors Rusi

the hearts and daries where pertainers of ions prospecies. The prospecies aring double-direct the rath and daries are the sale and the sale are the sale and the sale are the

tine up steam faster (man infurther decrease in infere dollar, which rose on the dollar, which rose on the vague communique at officials would result report the dollar, it now a riket is about to foreign and the foreign evaluates market beforeign evaluates market beforeign evaluates market beforeign evaluates market beforeign evaluates in the Australian dollar marketismained a magnet for in establishmained a magnet for in establishmained and set of the establishmained and establishmained esta

the Australian as the high course and as the high course duration owever, for the first corner, to meet that provided good make no protection on in the formula was introduced make rated implies A. It of bearing a coupon of the person of requestry readering the means investors can take make which is contained as it commitment.

The is using this contained that rates will declare

Australia is inverted with short yet at some point this annoting. Thus, rather than locking it with percent. CBA would rat looking to achieve a significant like formula was well-receive acrased from the 160 million declar markably firm — a discount shappy only after the amount amounced.

The State Bank of South lomals, but set an initial countries the same a get hown name — explaining the for limit CBA.

for hor CBA

The five other Assertion resumment of high-quality neutral date is never likely to trade

See EUROF

All Agence on a months and a management of the property of the management of the property of t

The state of the s

Page 9

PHS()NALI

Futures Markets: A Contract Glut

N PAPER. THE PRODUCT looked terrifie: a futures contract based on the U.S. Consumer Price Index. Individuals and companies, experts reasoned, are always worned about inflation and could use the instrument to hedge their risk. At the same time, anyone with an opinion about where prices

were headed could place a speculative bet.

In the trading pits at New York's Coffee, Sugar & Cocoa Exchange, however, the reality has proved somewhat different. The contract has drawn little

somewhat different. The contract has drawn little interest since its debut in 1985, and efforts to resuscitate it have so far failed to stir investors.

"I had no idea it would be such a dud," says Paul Samuelson, a noted Massachusetts Institute of Technology economist who had voiced some early support for the contract. "Obviously the fact that inflation has been modest is part of the story." been modest is part of the story."

The CPI futures are hardly alone in their fate. Mark Powers, a leading consultant to U.S. exchanges, says that at least 80 percent of the roughly 200 futures contracts introduced since 1970 have foundered, and the ricture has been only committed brighter for page. the picture has been only somewhat brighter for new options contracts. Many of the new instruments suffer from poor timing or faulty market research, while others may simply seem too complicated.

EVERTHELESS, THE NATION'S compet-ing options and futures exchanges continue to churn out a parade of new instruments, lired by the spectacular success of a handful of existing instruments. At the futures exchanges alone, at least 10

instruments. At the futures exchanges alone, at least 10 new instruments are in the planning stages.

And, increasingly, the exchanges are becoming more sophisticated in pitching their wares. The American Stock Exchange, which also trades options on stocks and stock indexes, recently launched its first television advertising, for example, and the Philadelphia Stock Exchange has been running video ads for its currency options on certain international air flights.

But hype alone will not create a market for a new

But hype alone will not create a market for a new instrument. The Coffee, Sugar & Cocoa Exchange last year went so far as to offer a free vacation in Bolivia (which then had the world's highest inflation rate) as first prize in a promotional contest to spotlight the CPI futures, but little additional trading resulted. This year, as days pass with no trading at all, the exchange is

tinkering with the contract's specifications.
Unquestionably the most lavish, and failed, marketmg in recent years stemmed from the 1985 introduction of futures based on indexes of over-the-counter stocks. After the Chicago Board of Trade, the world's largest futures exchange, and the Chicago Mercantile Exchange, the second-largest, spent a total of at least \$4 million pushing competing instruments, a simple truth became clear. Traders had little interest in one such contract, let alone two. "Both exchanges shot themselves in the foot," says William Murschel, a spokesman for the Board of Trade.

Last year's offering of new instruments was decidedly lackluster. Futures based on an index of commodity prices got off to a rocky start on the New York Puttires Exchange, while trading in new options on an index of volatile stocks was allow at the New York Stock Exchange. Two exchanges served up futures on the European currency unit, but even the leader, the New York
Cotton Exchange, reported only modest volume.

Perhaps the most successful innovation last year was
a new version of an old instrument: options on the
Standard & Poor's 500-stock index, traded on the

Chicago Board Options Exchange. Partly in response, the American Stock Exchange launched options on an index of 75 stocks commonly held by institutional investors. The Chicago Board of Trade liked that index enough to lay plans for futures contracts on the index.

Consideration of the control of the

Zero ('esper

[] Straight

ESPITE THE MEXED PERFORMANCE, the parade shows no signs of stopping anytime soon. The Board of Trade's plans have a decidedly international flavor, including futures on three indexes of British, Canadian and Japanese stocks, as well as futures based on Yen bonds and Eurobonds. The New York Futures Exchange is preparing con-

tracts on three other stock indexes.

The Chicago Merc and the New York Cotton Exchange are both planning futures on indexes of Trea-sury securities, while the Commodity Exchange in New York and the Board of Trade are readying futures on indexes of corporate bonds. The New York Mercantile Exchange, which successfully launched crude-oil futures last year, is looking to options on heating-oil

All this might seem excessive, and the sheer abundance of instruments can cause some real problems.
"It's difficult to educate brokers and users about each new product," says Jack Barbanel, director of futures at Grumtal & Co. Mr. Powers, the consultant, adds,

any problems arising from unnecessary instruments will cure themselves by Darwinian forces.

UPDATE

Sterling's Rise

N THE ABSENCE of the speculative fervor that prevailed before last month's vague Group of Five agreement to stabilize the dollar, currency markets are turning their attention to fundamentals in general and the British pound in particular.

Brendan Brown, chief international economist for County Bank in London, cites the wide spread between British and continental interest rates as a major rween bridge and commental interest rates as a major reason for sterling's popularity. Long-term government bonds in Britain are yielding just under 10 percent. Such bonds in West Germany and Japan are pielding about 6 percent and 5 percent. vielding about 6 percent and 5 percent, respectively.

Moreover, Mr. Brown notes "a growing perception that the British economy is doing well." He expects

economic growth to average 3 percent or more this year, roughly double the forecast for Germany. Despite expertations of a slight recovery in the Despite expectations of a stight recovery in the dollar and a 1-percentage-point reduction in Britain's base lending rates, Mr. Brown sees sterling remaining relatively attractive at around \$1.50 in the near term. Against the Deutsche mark, he believes that the poind Against the Deutsche mark, he believes that the poind will fluctuate in a narrow band from 2.8 to 2.9 marks. John Meehan

Hong Kong's New Stature Among Investors

Anxieties about the future have been put aside as the rally charges ahead.

By Patrick Smith

N THE CROWDED FINANCIAL DISTRICT known simply as Central, market talk is on everyone's lips these days. Stock tickers in the windows of local banks draw swarms of

investors at lunch hour. Brokers and analysts are looking happy but distinctly haggard.

These are boom times for the Hong Kong stock market. The local Heng Seng Index, which has been challenging its record regularly in recent weeks, has risen 60 percent since mid-1986 and is up more than 10 percent in installanging the first true member of the more than 10 percent in installanging the first true member of the more than 10 percent in installanging the first true member of the more than 10 percent in installanging the first true member of the more than 10 percent in installanging the first true member of the more than 10 percent in installanging the more than 10 percent in the mor 10 percent in just the first two months of this year.

Volume is also hitting peaks; new issues are consumed as fast as they are introduced.

It is a classic surge in many respects, driven by low interest rates, excess liquidity and a healthy economy.

But the extraordinary ascent this market began eight

months ago also marks a milestone in its effort to gain

months ago also marks a milestone in its effort to gain recognition among international equity investors.

As in no other boom before it, this one has been fueled less by local speculation than by solid institutional buying from Europe, the United States, Japan and Australia. Long considered too volatile for most foreign investors, Hong Kong can no longer be ignored, as it was only a year or two ago, in any diversified emitty portfolio. diversified equity portfolio

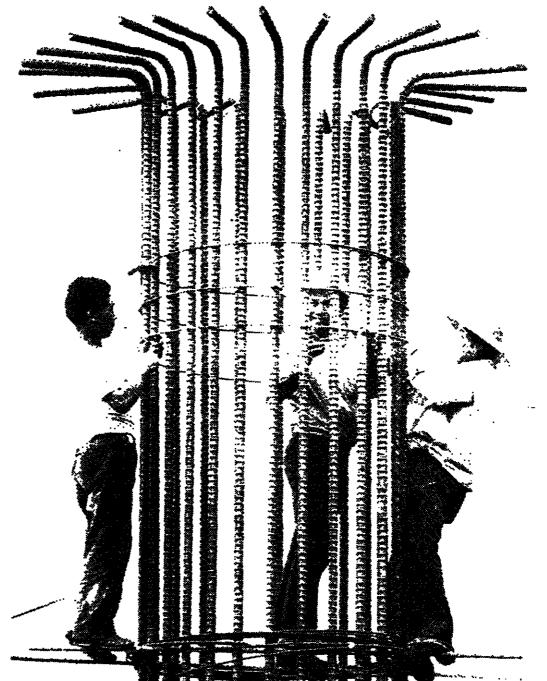
"People woke up to Hong Kong last summer," says Duncan P.F. Mount, managing director of Gartmore (Hong Kong) Ltd, a unit of the London-based fund management concern. "Ever since, we've been going through a basic reassessment of this market's international contents."

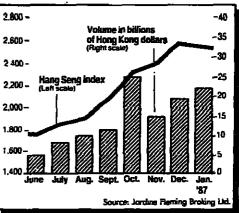
In part this reflects the relative attractiveness of Hong Kong's average price-earnings multiple, which now stands at 15 or so. Although this is close to the market's historic high, many analysts view it as unrealistically low given the current level of cash in the hands of big international investors, low interest rates worldwide and low inflation rates.

The question is, should Hong Kong be trading at 15 times earnings when Tokyo is at 50 and Singapore at 30?" Mr. Moont says.

Hong Kong, which has linked its currency to the U.S. dollar since late 1983, has also benefited from the

recent shift of funds from strong-currency markets, such as West Germany, into markets denominated in weak currencies. And while local investors were net





Workers tying up reinforcement rods at a Hong Kong building site. Property stocks account for a big portion of the stock market's capitalization.

sellers a year ago, they have now joined foreign buyers in pushing up stock prices.

Hong Kong has positioned itself well for the cur-

rent equity boom. Last April, the territory's four separate exchanges were unified and computers reseparate extranges were infinited and computers re-placed the blackboards and the old "open outery" system. Together with a set of tighter regulations and supervisory procedures, this has been intended to make the market more hospitable to institutional investors and foreign individuals.

There is little question that the exchange's new look has helped. A recent influx of overseas securities dealers - there are now 16, with more on the way has left Hong Kong, if anything, over-brokered. And as a broad indicator of overseas participation, daily volume is now routinely above I billion Hong Kong dollars (\$128 million), more than double its level only

a year ago.

Along with the market's new sense of maturity, its basic role is also evolving. Guangdong Enterprises (Holdings) Ltd., a Chinese conglomerate based in neighboring Guangdong province, is about to become the first mainland entity to list its shares in Hong Kong. Bel Fuse Ltd., a small electronics concern that is expanding its Asian activities, will soon become the first American company to do so.

Reflecting the gradual modernization of manage-

ment techniques among local companies, more of them are also coming to the market, and analysts judge their offerings to be of higher quality than they would have been even a few years ago.

"These companies are now much more accessible," says David Harding, a director at Thornton Manage-

(Continued on Page 10)

Finding Winners In the Profit Race

Earnings look healthy, but beware leaning too heavily on the forecasts.

By Alex Barnum

ORPORATE PROFITS, until recently only a side show in the stock market's long-running rally, have become the main attraction on Wall Street. But the key issue for investors will be finding true value among the companies that are fast stealing the limelight with

their accelerating profit growth.

Since the beginning of the bull market in 1982, Standard & Poor's list of 500 companies has posted average annual earnings increases of 3.7 percent. By contrast, profits are expected to rise 16.7 percent this year to \$17.09 a share, and another 14.5 percent in 1988, to \$19.56 a share, according to a consensus of Wall Street forecasts compiled by the Institutional Brokers Estimate

"The common denominator is that earnings are going to be greater this year," says Eric T. Miller, chief investment officer at Donaldson, Lufkin & Jenrette Securities Corp. There is no great interest rate or inflation factor driving the market."

The market's emerging stars are corporations that have gone through the painful process of restructuring and streamlining while dramatically im-proving profit margins. "A lot of companies," says Alan

Greenspan, an economist and president of Townsend-Greenspan & Co., "have been reducing unit costs to the point where any increase in volume of sales would translate into significant improvements in profits."

Also contributing to the brighter profit picture is improved export sales, thanks to the declining dollar and the changing tex structure.

"Tax reform," says Martin D. Sass, president of M.D. Sass Investors Services Inc., "is a good-news, bad-news situation." Although companies lose the investment tax credit this year, he says, they will be more than compensated by the lower marginal tax rate of 34 percent in 1988.

A central issue for investors is how to use the data on earnings. Analysts are wary of buying stocks solely on the basis of projected earnings, partly be-cause of the uncertainty of those forecasts. This time last year, for example, the consensus on Wall Street was for



Martin D. Sass: 'The cycle will pick up for the computer industry."

an 18 percent rise in profits for companies included in the S&P 500 index. compared with the actual gain of 3 percent, according to IBES.
"In a classic bull market," notes Ste-

ven G. Einborn, head of the investment policy committee at Goldman, Sachs & Co., "earnings follow through," sustaining the market's rise. But if those earnings never materialize, the market, as well as individual stocks, will be punished. Thus analysts agree that most stocks already reflect 1987 earnings estimates. They say they will not begin to focus on 1988 profits

HE QUALITY OF EARN-INGS is also important. Inter-national Minerals & Chemicals Corp., a major fertilizer maker, recently topped a list of companies that anelysts believe will have the biggest increase in profits in 1988. The IBES survey found that, on average, analysis were projecting a profit rise of 1,851 percent for the company next year next

But International Minerals is just recovering from an industry recession. With a five-year, negative growth rate of 17.3 percent and a price more than 20 times expected 1988 earnings, the company is not an attractive stock. Stan Deutsch, an analyst at First Boston Corp., does not recommend it, saying it "is not selling on an earnings

One of the best examples of a group that still offers both value and earnings growth is the forest-products industry, analysts say. They are predicting 38 percent growth in profits for this year.

(Continued on Page 11)

ATTENTION U.S. INVESTORS!

Stateside Investing in Europe!

For Americans living abroad, investing can be especially difficult and timeconsuming. But now you no longer have to deal with trans-Atlantic operators or international mail. Fidelity Investments Brokerage Services, Ltd. is one of the first U.S. discount brokers to come to London!

Trade stocks, bonds or options!

At Fidelity's London office, we'll give you swift, efficient access to U.S. markets in addition to the securities markets of Western Europe. Fidelity's representatives can execute your trades and put the latest market news available right at your fingertips, through our electronic computer network.

Fidelity customer services, too!

If you're already a customer in any of Fidelity's mutual funds, you can come in to make a deposit or switch among your investments. And don't forget to set up your Fidelity Individual Retirement Account quickly and easily in the fund you choose.

Information when you need it!

You don't have to come in person to benefit from the investment resources available at the Fidelity London office. You can call or write to receive information about how tax reform may affect you by requesting your free copy of the best-selling Price-Waterbouse Tax Guide. This is just one of the educational services available in addition to Fidelity's range of investment products.

Call, write, or visit today!

Let Fidelity bring the U.S. market closer to you. Visit the London office at 23 Lovat Lane from Monday to Friday, 09.00 to 21.00. Or call toll-free anywhere in the U.K. at 0-800-010-510 (elsewhere in Europe, call 01-283-4595).

Contact us today and we'll give you a copy of Investment Vision, Fidelity's quarterly investment magazine, to help keep you abreast of today's investment news.

Please send me information on investing with Fidelity through Fidelity Brokerage Services, Ltd. of London. Please scale me minoritation on investing with renemy intrough renemy property property of investment vision. (VIS)

01-283-4595



In the October issue of the Middle Market Review, GREENWOOD INTERNATIONAL SECURITIES Identifie GREENWOOD INTERNATIONAL SECURITIES to entired THERMAX HOLDINGS as a strong buy. Since then the company's shares have then by over 40 per cent from £1.28 to a recent £1.80 following a bad for the company, giving readers who followed our advice a spectacular short-term gain. Capitalised at just under £15 million with a PE ration of 19 when GREENWOOD analysts first booked at it. THERMAX is a time example of how 'smaller' companies can outperform the manner on a recolular basis.

the majors on a regular basis.
THERMAX HOLDINGS is traded on London's Unlisted Securities Market (USM), but many equally great opportunities now exist in the newer CTC and Third markets, which seem set to mirror the explosive growth seem

GREENWOOD INTERNATIONAL SECURITIES has adopted an investment philosophy designed especially to identity the market and industry leaders of the future — from today's OTC stocks. Private investors are offered a range of specialist services that may well result in an overall portfolio growth of many times previously

articipated returns.

To find out more about shares in the middle market, and what is available to you NOW in the important new over-thecounter investment area, please comp

You will receive complimentary copies of the next six monthly issues of the Greenwood Middle Market Review, and selected Special



IHT 9/3/76

INTERNATIONAL SECURITIES LIMITED 2 London Wall Buildings, London EC2M 5PP. Tel: 01-236 2332 Telex: 8952460 COPAL G

ADDRESS

TEL: HOME

The Royal Bank of Canada offers a range of Offshore Funds to meet the needs of the international investor. These Funds are managed and administered by RBC Offshore Fund Managers Limited - a subsidiary of The Royal Bank of Canada - Canada's largest bank and one of the world's largest retail banks.

RBC NORTH AMERICAN FUND: UP 1190%* SINCE LAUNCH! UP 12.5% THIS YEAR! Invested in North American equity markets.

RBC INTERNATIONAL CAPITAL FUND: UP 350%* SINCE LAUNCH! UP 11.6% THIS YEAR! Maximum capital growth from international investment. RBC FAR EAST AND PACIFIC FUND: UP 154%* SINCE LAUNCH! UP 13% THIS YEAR! A fund for the future as this area develops into a world centre of finance and industry.

RBC CANADIAN FUND: UP 52.9%* SINCE LAUNCH! UP 14.9% THIS YEAR! One of the few offshore funds that offers large and small investors an opportunity to invest in this vast country.

RBC INTERNATIONAL CURRENCIES FUND, MANAGED SHARE CLASS: UP 71.2% SINCE LAUNCH! Investment in a managed portfolio of currencies or in six separate currency share classes. * including reinvested dividends

Please send me complete information on the RBC Offshore Funds

name **ADDRESS**

RBC Offshore Fund P.O. Box 48, Guernsey, Channel Islands
Managers Limited Tel: (0481) 23021 Telex: 4191527

Autumn 1986 marked

an historic moment. The United

States Mint introduced the American Eagles

and the world turned to American Gold Coins.

been tremendous, reflecting the strong desire

among worldwide investors to own Gold.

and dependability of the U.S. Government.

Made from gold bullion bars, the

requirements, American Eagle Gold Coins

American Eagle One Ounce Gold Coin con-

To accommodate investors' individual

it embodies the full strength, stability,

tains one ounce of pure gold.

ounce sizes.

are also available in $\frac{1}{2}$, $\frac{1}{4}$ and $\frac{1}{10}$

tender and their weight, content

and purity are guaranteed by the

American Eagles are legal

The demand for American Eagles has

Gold, made even more precious because

The World turns to

American Eagle Gold Coins.

A Jardine Fund Manager's Ebullient View

Alan Smith's portfolio is built around a core of property companies.

By Patrick Smith

Hong Kong AVE A LOOK AT THIS," Alan H. Smith tells a visitor to his office high above Hong Kong's expansive harbor. With his usual ebullience, the managing director of Jardine Fleming Holdings Ltd. slides a 64-page research report, covering Hongkong & Shanghai Banking Corp., across his conference table.

"How far has this market come?" the 43-year-old portfolio Ltd. slides a 64-page research report, covering Ho

manager asks rhetorically. Ten years ago we might have put out two pages on the bank — not much more than a description of its branch network. That's one measure."

It is a measure, too, of how far Jardine Fleming has come since it was founded 17 years ago as Hong Kong's first homegrown merchant bank. "JF," as the firm is commonly known here, has grown into a diversified financial institution. But fund management has emerged as its core business, and that is where much of its recent success has been.

Assets under management grew by 75 percent last year, to \$3.5 billion. Of Jardine's 15 funds, four were among the world's top 12 performers, according to an annual survey conducted by Lipper Analytical Services. All four were ivested in Asia.

Mr. Smith, who taught commercial and company law in Nairobi and at Hong Kong University before joining Jardine Flexing in 1973, believes the JF Hong Kong Trust, with assets of \$115 million, would also have made the top dozen had it enjoyed the exchange-rate gains available to yen-denominated funds. As it was, the Hong Kong fund appreciated by 67 percent last year, outpacing the Hang Seng Index

by almost 20 percentage points.

Although he declines to forecast the Hang Seng's future level, Mr. Smith is confident that it will continue its climb. citing expected strong corporate results this spring that should reduce many price-earnings ratios. As a measure of this confidence, almost one-fifth of the funds JF manages are in the Hong Kong market. "There's still quite a lot to go for," he says. "At the

oment, I see no problems through the third quarter. But

let's look again then to see if there are any clouds."

Among the possible clouds are a resurgence of protectionist measures aimed against Hong Kong. John from China

Alan Smith: On a risk-reward basis. 'Hong Kong is an excellent investment.'

could also reignite local worries about Hong Kong's future after 1997, when Britain's colonial leases will expire and China will assume sovereignty over the territory. Only two months ago, the forced resignation of Hu Yaobang as head of the Chinese Communist Party sent the market down 160 points in less than two days, although it quickly recovered, "Local money views 1997 in a personal light, while overseas investors look at it from some distance," Mr. Smith says.

"But that's suitable from both points of view, I think."

The risks in each case are different Local investor as says, should begin to diversify out of Rong Kong the says. says, should begin to diversify out of Hong Kong white a typical overseas fund may have a Hong Kong exposure of its much 5 percent of its total assets. From a make the much 5 percent of its total assets. From a make the much 5 perspective, Hong Kong is an excellent investment of the same says and above average as a risk and well show average in terms of its rewards.

As Jardine's recent research effort suggests, Hongtony & Shanghai Bank is high among the stocks Mr. Smith favors. Although he is inkewarm on the sector as a whole, he believed the bank will improve its performance after several years.

the bank will improve its performance after several years of loss provisions for bad loans in real estate and shapping.

REALESTA

Defr Gr

Ne immer :

西拉工业(1)

الاعالى فلنته الانتخاص

-9. 3. .

laced from Page

ited to receive

Jan Non -

famigat ...

E Restriction .

The state of the s

State ...

Sec. 11.

The same of the

E Name

The second second

By Jeff I

But like Most of HER fund manager, Mr.
Smith is now building Jardine's portfolio sectand a
core of property companies that are positioned to

exploit Hong Kong's current environment of low integers rates, low prices and high rents.

Among his selections: Hongkong Land, which is due to complete another of its prime commercial office tower hy the end of next year, and Cheung Kong (Holdings), the vehicle of the real estate magnate, Li Ka-shing.

Real estate investors are enjoying positive returns and that's in contrast to most other markets," Mr. Smith any "As for Li, he has a proven touch for property in both built and bear environments."

Among the less prominent properties, Mr. Smith meetions.
Hang Lung Development, Sun Hung Kai Properties and Sino Land. The last, he says, has substantial interests in the

so-called "new towns" that are springing up in Hong Kong's In the services sector, Mr. Smith is concentrate In the services sector, Mr. Smith is concentrating on Cathay Pacific Airways and Dairy Farm, the Hongking Land food-retailing subsidiary that was recently spin off.

Apart from its own strong growth record, he says, he lifes the 50 percent share Dairy Farm has in Maxim's, a fast-expand.

ing restaurant chain.

Mr. Smith is similarly attracted to Cafe de Coral, a.

Chinese fast-food chain that was founded in 1969 and wen. nowhere until a few years ago. Now it is booming, a reflection of evolving tastes among Hong Kong's freidy

Industrials? "As a whole the section has a bad name, and they're not for everyone to follow," Mr. Smith says with a smile. "But if you get your timing right, they can be very

One manufacturer Mr. Smith mentions happily is Lai San Garments, which has recently diversified into property de-velopment, in addition to the brisk business it does selling the large share of valuable textile quota to which it is entitled.
"We bought it a very second at Management of the large share of valuable textile quota to which it is entitled. "We bought it a year ago at 7" Hong Kong dollars, Mr. Smith says. "It's now over 70."

Hong Kong's Allure for International Investors

(Communed from Page 9)

ment (Asia) Ltd. "They are well aware that they have to sell them-selves to overseas fund managers."

Exchange officials and others in the investment community are hoping such developments are harbingers of things to come. As Hong Kong prepares to rejoin China in 1997, they say, the stock market should become a major source of funds for Chinese enterprises as well as local and multinational companies doing business on the mainland.

Such ambition is a very long way from the casino-like environ-ment for which Hong Kong has been known since its first ex-changes were established early in this century. Almost from the first, trading has been dominated by local speculators who viewed share trading as a kind of in-formed gambling.

Busts have followed booms at regular intervals. In 1973-74, for instance, the Hang Seng went from a record 1,775 to 150, a casualty of massive overbuying and the first oil crisis. The market took a similar, though less severe, tumble in 1982, when the property market collapsed and the question of Britain's colonial leases was first

With history in view, perhaps, mous in cautioning that Hong Kong is far from a fully developed market. Insider trading, which is not yet a punishable offense, ap-parently remains widespread. Speculation — currently centered on 20 or so "entrepreneurial" stocks from Australia and New Zealand — is still a powerful

The market also remains heavily weighted in favor of banks and

'Should Hong Kong be trading at 15 times earnings when Tokyo is at 50 and

Singapore at 30?

property shares, which together 100 stocks, by most counts, out of account for some 70 percent of the a total market of 350. market's 55 billion dollars in total capitalization. Hongkong &

market by itself. Although they are the backbone of the economy, manufacturers make up only 5 percent of the market. Many are simply too small to be listed; among others, there is still a traditional reluctance to let even a minority inter-

tion, accounts for 10 percent of the

est slip into unknown hands. For now, at least, regulatory weakness, potential volatility and the market's lack of balance still limit the foreign investor to a narrow range of issues -- some 50 to

a total market of 350.

"When you get beyond that, most overseas buyers say the risk-Shanghai Banking Corp., the territory's premier financial instituessentially a two-tier market.

One fund manager would disagree: Gartmore's Oriental Ventures Trust, a collection of high-"special situations" that are decidedly not for the faint-heart-ed, has made Mr. Mount something of a local "wunderkind." Oriental Ventures appreciated by 330 percent in the year to mid-

Where are the graphs now headed? Die-hard optimists, such as Mr. Mount, say a Hang Seng of 4,400 or more by early-1988 is not inconceivable. They reason that the economy, which grew 8.7 per-cent last year, should expand a further 7 percent in 1987, and corporate profits will add 15 percent or more to the 30 percent gain registered in 1986.

Given that earnings projection, an index of 4,000-plus would mean a revaluation of the market to an overall P-E of 20 - still modest by global standards. Nonetheless, most analysts expect prices to rise more slowly, and perhaps retreat temporarily, once the Hang Seng advances beyond

DIAMONDS

m Gold

nantexport BVBA Established 1928 street 62, B-2018 Answe

tor of investment management at Jardine Fleming Holdings Ltd. "If we reach that point by year end,
I'd be quite comfortable with it."
Already traders are showing some signs of skittishness. After reaching 2,939 last Tuesday, the Hang Seng dropped suddenly by 140 points, ending the week at

The decline was widely attributed to the poor reception given to the restructuring of Hongkong Electric Holdings, one of two local utilities. But the question of whether the market has begun a broad retreat now hangs in the air

I'd say we'd topped out for the

year," says Robert Thomas, direc-

Real estate shares are now at the center of most portfolios. The reacenter of most portfolios. The rea-son is simple. While rents have nisen some 50 percent since 1984, prices are up only 25 percent to 30 percent. With the local prime interest rate at 5 percent, yields on prime commercial and residential property are currently as high as

Reflecting a resurgence in consumer spending, service compaties — restaurants, supermarket chains, clothing retailers - are also favored. So is Cathay Pacific Airways, Hong Kong's unofficial

fered to the public only last year.

The Hongs, or old-line British trading houses, and utilities remain highly popular, and some analysts include a few industrial shares among their choices. The threat of protectionism, it is generally reasoned, is receding for Hong Kong, it is time to look beyond the reputation for instability that manufacturing shares have long

"Industrials are trying to prove themselves," says Mr. Thomas of Jardine Fleming. "And institutional investors are beginning to take them more seriously."

Protect and build your wealth offshore in Jersey







6%; a

Apart from offering a wide range of deposit accounts in most major

 Trust and company services. Royal Trust is a wholly owned subsidiary of Royal Trustco one of Canada's largest financial institutions with a credit rating comparable with the major Canadian chartered banks.

For further information about opening an account or details of our other personal financial services please post the coupon below or call Mr. T. D. Wynn on Jersey 27441.

Plates correct at time of going to p



Mr. T. D. Wynn, Royal Trust Bank (Jersey) Limited, PO Box 194, i am interested in opening an account, please send me details

Please send me details of your other offshore financial services (specify).

ROYAL **日**章 TRUST

INTERNATIONAL STOCK MARKETS IN THE IHT EVERY TUESDAY.

A COLUMN ON NON-U.S. STOCK MARKETS. ESSENTIAL READING FOR INVESTORS AND PROFESSIONALS— WORLDWIDE

YOUR BEST BUY erestirates are negotiable on deposits exceeding £50,00 Single diamonds at wholesale prices by ordering direct from Antwerp the world's most important cut Wide range of call and deposit account When you bank with Royal Trust you benefit from the security and diamond market. Give diamonds to the ones you love, buy for investment, for your enjoyment. Write airmail for free price list or call us: Savings accounts with chequing facilities Foreign exchange arrange Loans and guarante
 International invests Tales: 71779 syl b. at the Diamond Club Bldg. Offshore unit trust investmen

accordingly. Beautiful, valuable, desirable. The American Eagles.

United States Treasury,

thereby giving American Eagles

For investors interested in adding silver

to their portfolios, there is an American Eagle

All American Eagles are available at

Because of the demand, there may be a

participating banks and brokers, and coin

temporary delay in some areas but the United

States Mint's production facilities are working

The cost of American Eagles is based

premium, and will fluctuate

diligently to ensure an unlimited supply be

made available on a continuing basis.

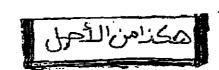
on the daily price of gold or silver, plus a

unquestioned authenticity worldwide.

Silver Bullion One Ounce Coin.

and precious metals dealers.

AMERICAN EAGLE GOLD & SILVER BULLION COINS



Sing-Expressives

Please CIP VIII 1816

Hoods Mr. Street land ice as a marine to the same g service and granders A fund marine M mac's portions at the s that are presided to

Tentiment of the second Blanc which with a A Kantana and a second Se Production of the Second for property and the nie 16 See me hang Ka

ngine up a maj kay

Property of the same of the sa BEATE TO WAY IN THE PARTY 1 Marin Calmerton of the Case of Cont. Office a far and Non it was Mary Mary top to server

Wt 2255 50 85 E right for his X is mumar Li the bearing of the second Maria Company Heat & at many

ors

PROPERTY TAXABLE ACC LANGE OF THE er Roman Construction ang man ing manah s Tanggaran that the same Addition in the 3 THAT I SEE 10 0 mm 10 m Maria Langue its in the second

green was ingre resuming to though forward to the was followed to the \$P\$ 图象的 120 图4. 10 m 12 m

Demonstrate of the State

London Prices In Real Estate **Defy Gravity**

By Jeff Ferry

RITISH NEWSPAPERS RECENTLY criticized a London real estate agent for asking the equivalent of \$52,000 for a broom closet that had been converted into a studio apartment. But the same day that the articles appeared, the converted closet, desirably located opposite Harrod's department store, was sold to a woman who said she thought it was a good buy.

It was just one more example of how the London

It was just one more example of how the London residential property market continues to defy gravity. The end of the boom, predicted at the time of the recession of the early 1980s, and again when oil prices dropped and Arab buyers deserted the market, obstinately refuses to arrive. Indeed, optimism about the market is higher than ever.

"For the past five years, property in central London has risen by 25 percent a year on average," says George Pope, chairman of the London real estate agency, John D. Wood & Co., "and so far, the year of 1987 looks like it will see a similar performance."

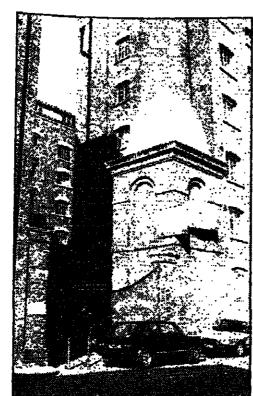
Robert Ringrose, property analyst at the stockbro-kerage Phillips & Drew, says the two most crucial factors for London property prices this year are interest rates and the outcome of the British elections that are widely expected in June. With a consensus that interest rates are headed downward, and with polls showing the Conservatives likely to win re-election, the outlook is decidedly upbeat.

For foreign investors considering London, the exchange rate is the main uncertainty. Gavyn Davies, chief U.K. economist at Goldman, Sachs, says he expects the rate to fall "gradually, but not dramatically" over the next two years to a range of \$1.20 to \$1.30 to the pound from the current \$1.50-\$1.55 level.

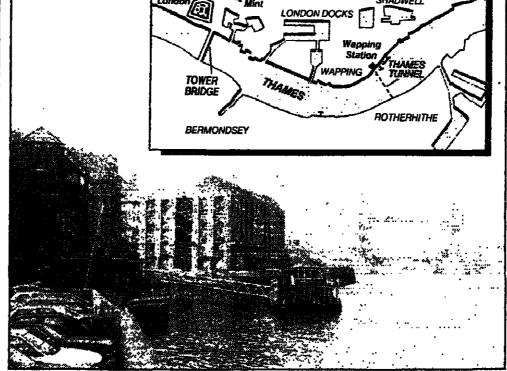
The decision on where to buy property in London breaks down into two broad choices. The first alternative is the traditional upmarket areas, where prices are already high and further appreciation seems likely. The second are those areas, mostly immediately surrounding the financial center in the City of London, where the initial outlay is lower and the risks greater, but the potential for large capital appreciations is regarded as quite good.

London's "Big Bang" of financial deregulation has revived almost overnight a number of formerly run-down areas around the "golden square mile" of the City of London. The expansion of overseas banks and brokerage houses has brought in thousands of wellpaid foreigners. Increased competition for personnel has pushed salaries in financial services to unprecedented heights.

In addition, a shift to longer working hours has intensified the demand for housing close to the City.



The same of the sa



New Concordia Wharf development in the Docklands area, shown by inset. Tower Bridge is in the background.

All of these forces have pushed up prices for desirable houses and apartments. The most spectacular example is Docklands, as the broad expanse of land along the Thames to the east of the City is known.

Docklands's eight square miles (about 21 squ kilometers) of property, much of it derelict, has been on the decline for most of this century. Now a series of changes — including the reclamation of decaying lofts

Becoming a Landlord

Buying property in London and maning it out can be rewarding, provided the owner is aware of the peculiarities of the British Pant Acts, it may false litterally generations before an invanted ferantican be existed.

To get around this, most tandlones will get little to company let fals to companies. A "company let fals to companies. A "company let fals to companies a groot lewer or a letting agent neither properties of finding prants, effecting references, drawing up leases and so on. For this service, a letting agent neithers for 15 percent, the agent will manage the property as well, which actudes playing the latis and arranging maintenance.

in the Wapping section by a New York-style, moneyed "art" community, the building of a new rail link between Docklands and the City, and the planned construction of a massive office complex on Canary

Wharf — have triggered a surge in prices. "This has been an extraordinary, unprecedented change from an area which had nothing in it a few years ago, to an area which is now starting to achieve

Another problem is income tax. The British Inland Revenue requires letting

ageints pay a withholding fax of 29 persent on all rental income, even if the property owner is overseas. But a good

ing agent and accountant can help

nize the amount of tax withheld

ministize the amount of tax withheld Letting agents caution that estate agents; whose interest is in selling a property, are aptito overstate the potential rental incode of a property. It is best to get an independent estimate, a service most letting agents will provide with no obligation.

Many experts expect a boom in rents over the next two years. The average return on a good central London property rappes from 5 to 7 percent of the capital

ranges from 5 to 7 percent of the capital

some of the best West End prices," says Martin Carleton-Smith of the real estate agency of the same name. He reports selling two-bedroom flats with river views in Wapping and Bermondsey for as much as \$375,000 to \$450,000. There are numerous examples of prices doubling over the past year.

Some experts believe that the western part of Docklands has seen the best of the boom. They see greater future capital gains further east, in Limehouse, the Isle of Dogs, or Surrey Docks, or north into Hackney.

The boom has also affected areas west of the City, such as the Lloyd Baker estate area, which contain many fine Georgian houses, and Bloomsbury, which has many small apartments ideal as pied-a-terres. Frank Harris, a leading Bloomsbury estate agent, reports that a typical studio in Russell Court in historic Russell Square that sold for the equivalent of \$53,000 just over a year ago would sell today for \$70,000, a rise of more than 30 percent.

Covent Garden is another area where a good location has pushed up prices, and encouraged renovation, giving a further boost to prices.

Mr. Harris notes that areas such as Bloomsbury are much better served by amenities such as gardens, public transport, and good shopping facilities than areas to the east, such as Docklands or Hackney. The same is even truer of the traditionally upmarket areas further west, including Kensington, Chelsea, and Hol-land Park. Mr. Ringrose, of Phillips & Drew, argues that in view of the international profile of London's property buyers, these are the safest investments.

Have all the advantages of a bank account in LUXEMBOURG, without actually being there.

To discover the advantages of banking in Luxembourg with BCC, all you have to do is to simply mail the attached coupon. We will promptly despatch to you by airmail our booklet containing detailed information about banking in Luxembourg.

The BCC Group has offices in 72 countries, its Capital Funds exceed US\$1,510 million and total assets US\$16,500 million. The Head Office and branch of the Bank of Credit & Commerce International S.A., in Luxembourg enable you to make full use of the unique advantages offered in Luxembourg which include:-

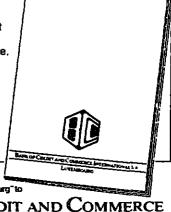
1. Total confidentiality of investor's affairs by the laws of Luxembourg.

2. The benefits of being able to open and operate an account in Luxembourg without actually going

3. Investments and deposits made by non-residents are totally tax-free and there is no withholding tax on interest ordividends.

4. Luxembourg is a stable, prosperous financial centre in the heart of European Economic Community.

Mail this coupon for your FREE

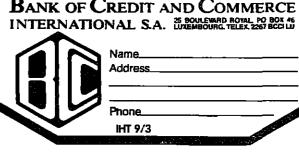


INTERNATIONAL AND

PERSONAL BANKING

IN LUXEMBOURG

Personal Banking in Luxembourg" to BANK OF CREDIT AND COMMERCE



BOURSES

Profit-Driven Strategies

(Continued from Page 9)

And some of the industry leaders have price-earnings ratios well be-

After loading up with several of these "lean and mean" companies, Sass likes Weverha the most Recently restructured, Weyerhaeuser "is poised for a break," he says, with an expected 96 percent increase in earnings this

Noting that forest products will benefit from a better economy and a declining dollar, Mr. Einhorn of Goldman, Sachs suggests Union Camp Corp., which should boost profits by 66 percent to \$4.80 a share, and Westvaco Corp., for which he expects a 26 percent rise 10 \$3.15 a share.

According to Francis Cabour, manager of Fidelity's \$3 billion Puritan Fund, another buy in forest products is Boise Cascade Corp. Analysis recently revised their 1987 earnings estimates for Boise Cascade up to an average \$5.17 a share, a 56 percent increase over last year. "The paper products industry," Mr. Cabour says, "is the best in terms of profits growth."

For the most part, though, the market is "bereft of sleepers," complains Mr. Cabour, who has been Among the few stocks he likes is the radically streamlined Canadian de earnings gain this year of 68 appreciation is 60 percent.

Pacific Ltd., the transportation percent to \$8.10 a share. Of 35 application is 60 percent.

Mr. Alger, whose company ranks application is 60 percent. company, which is expected to see analysts following DEC, 28 recentits net income grow by 175 percent

IRLINES ARE ALSO POPcause of industry consolidation and low energy costs. On the top of that list is AMR Corp., the top of that list is AMR Corp., the bolding company of American Airbolding company of holding company of American Airlines. More or less in line with the consensus, Mr. Einhorn projects at Fred Alger & Co., suggests Ashprofits this year of \$5.50 a share, a ton-Tate Co., the software produc-19 percent increase over 1986.

tioned for a comeback, too, analysts say. Mr. Einhorn likes Digital percent this year to \$1.74. Assum-

Great Expectations

Opening 1987 Administration
State of controls
Controls tangië Sharepin ine van droducer, says David National Not Alger troid almost deuble in pice Ingrits to the coming year's epinings Inclustry consplication and low energy, costs are helping airlines. Mr. Empons, believes the pains will be suist obvious of American Airlines.

ly increased their estimates for this

new compiled by Institutional Brokers Estimate System.

year's profits. ear.

"The cycle will pick up for the cycle will pick up for the cycle will pick up for the computer industry," agrees Mr.

Sass. With projected earnings of \$8.75 a share next year, he notes, and the same of the cycle will pick up for the computer industry," agrees Mr.

Sass. With projected earnings of \$8.75 a share next year, he notes, and the cycle will pick up for th

David Alger, director of research profits this year of 33.50 a shall be read to see the result of the resu

Mr. Alger, whose company ranks a list of 1,400 companies by earnings, says there are 110 companies that could have a net gain of at least 40 percent in the next year. At the top of this list is Triangle

Industries Inc., a major aluminum can producer. With current earnings of \$2.50 a share. Mr. Alger says, the stock is "already below the low of the industry's P-E range," which he estimates is 12 to 19 times earnings. Mr. Alger pre-dicts earnings will increase by 37



Swiss Bank Corporation and export financing.

If you're not interested in foreign markets,

just turn the page.

And while you're turning, somebody out there is making plans to grab the customers your company needs. Maybe it's already happening. A lot of companies make the news by learning about the international marketplace the hard way.

Are we trying to tell you there's an easy way? Not really. Except that the easiest way is probably to work the hardest. But if you are taking foreign sales seriously, the transaction skills we've developed over the years could make life easier for you.

Remember, these are the markets we grew up in. And our business keeps growing.



Swiss Bank Corporation Schweizerischer Bankverein Société de Banque Suisse

The key Swiss bank

General Management in CH-4002 Basle, Aeschenplatz 6, and in CH-8022 Zurich, Paradeplatz 6. Over 200 offices throughout Switzerland. Worldwide network (branches, subsidiaries and representatives): Europe: Edinburgh, Frankfurt, London, Luxembourg, Madrid, Manchester, Monte Carlo, Paris. North America: Atlanta, Calgary, Chicago, Dallas, Houston, Los Angeles, Montreal, New York, San Francisco, Toronto, Vancouver. Latin America: Bogota, Buenos Aires, Caracas, Lima, Mexico, Panama, Rio de Janeiro, São Paulo. Caribbean: Grand Cayman, Nassau. Middle East: Bahrain, Cairo, Tehran. Africa: Johannesburg. Asia: Hong Kong, Osaka, Singapore, Tokyo. Australia: Melbourne, Sydney.

The eighth International Herald Tribune/Oil Daily conference on "Oil and Money in the Eighties" will take place on October 22 and 23 in London.

The conference which has become a major annual event in international energy The conference which has become a major annual event in international energy circles, will feature an outstanding group of worldwide energy and financial experts and circles, will feature an outstanding group of worldwide energy and financial experts and circles, will feature an outstanding group of worldwide energy and financial experts and circles, will feature an outstanding group of worldwide energy and financial experts and circles, will feature an outstanding group of worldwide energy and financial experts and circles, will feature an outstanding group of worldwide energy and financial experts and circles, will feature an outstanding group of worldwide energy and financial experts and circles, will feature an outstanding group of worldwide energy and financial experts and circles, will feature an outstanding group of worldwide energy and financial experts and circles, will feature an outstanding group of worldwide energy and financial experts and circles, will feature an outstanding group of worldwide energy and financial experts and circles, will feature an outstanding group of worldwide energy and financial experts and circles, will feature an outstanding group of worldwide energy and financial experts and circles and circles are circles and circles and circles are circles and circles and circles are circles are circles and circles are circles and circles are circles are circles and circles are circles are circles and circles are circles government leaders from Europe, the Minute Edst and the Office States. The conference is designed to provide senior executives from the financial and energy sectors with an annual designed to provide senior executives from the world oil market.

comprehensive update on the world oil market. omprehensive update on the work business card to this announcement message and return it.

For full details please clip your business card to this announcement message and return it. For full details please cup your pushess care wants and one content message and return it to: International Herald Tribune, Conference Office, 63, Long Acre, London WC2E 9JH. Or to: International Herald Tribune, 262009.

Telephone: (441) 836 4802 Telex: 262009.

'Converts'

Find a **Following**

7 ITH U.S. SHARE, PRICES continuing their record-breaking high-wire act, many investors have sought a safety net in convertible securities. These hybrid securities offer "a little insurance on the downside" while still allowing investors to participate in the stock market's advance, notes Robert W. Radsch. senior vice president of Bull & Bear Group Inc., a fund manage-

Convertibles give the holder a fixed rate of interest with the right to turn in the security for a specified number of common shares. The cost of conversion usually ranges from 10 to 30 percent above the prevailing price of the underlying stock. While a convertible does not move up as fast as the underlying stock, its yield pro-vides a cushion against a fall in the issuer's shares.

Income-oriented investors are particularly drawn to convertibles now that the rise in share prices has reduced the average dividend yield on stocks to about 2.6 percent. That is the lowest yield on U.S. common stocks in nearly 14

The demand for convertibles has been so strong, though, that the recent spate of new issues offers few bargains, say specialists.
"It has been a little harder to find real value," Mr. Radsch acknowledges. "Some of the new issues have come out with pretty fancy

For that reason, many portfolio strategists have turned their attention to seasoned issues. The probiem is that seasoned issues tend to be nearer the date or price at which they can be "called" bought back by the issuer at a specified price. This makes them less attractive to investors because it effectively reduces the potential

In addition to call provisions, specialists in convertibles take a look at the trade-off between the yield and the conversion premium A fundamental rule is to buy only convertibles whose underlying shares look attractive.

Mark Hunter, associate editor

Market Scoreboard

chiness			a visigns in the		· · · · · ·
<u> </u>	Percent Gain	Price Feb. 27		Percent Loss	Price Feb. 27
New York Stock Ex Compiled by Media General		rvices. Prices	in dollars		
A.H. Robins	70	18.25	Bernard Chaus	25	14.50
Toll Brothers	50	19.00	ICN Pharmaceutical	21	18.75
News Corp.	48	32.88	Pannill Knitting	19	16.38
Newmont Gold	45	25.00	BankAmerica	15	11.75
Imo Delaval	43 41	21.75	Emerson Radio	15	10.25
Carling O'Keefe Claire's Stores	40	13.25 13.63	Coopervision Kentuck Utilities	15 12	16.25 38.00
Pier One Imports	39	18.88	Cilcorp ,	12	36.25
Lennar Corp.	, 38	30.50	Northern States Pwr.	. 11	33.63
Lomas & Nettleton	36	37.38	Baltimore Gas & El.	- 11	31.88
American Stock Ex	change:				
Sorg Inc.	75	23.00	Electrosound Group	16	11.38
Taiwan Fund	73	33.13	Home Shopping	. 13	33.00
Computer Factory	58	33.88	Matthews & Wright	10	10.00
Materials Research	56	10.75	Mortgage Growth	10	21.2
Precision Aerotech	43	10.38	WestAmerica Banc.	9	51.00
Over the Counter:				-	
Daxor	192	17.88	WNS Inc.	46	11.25
imreg inc. Class A	96	12.50	Viratek	43	40.2
Chemiawn	94	29.50	SPI Pharmaceuticals	34	20.00
Bockbuster Entertain.	66	23.88 13.88	Energy Factors	29 25	10.00 11.29
Biogen 	61	13.00	Seven Oaks		13.25
London Stock Excl		Dd			
Compiled by Morgan Stanle			es in pence. ,		
Wellcome	80	478	Tricentrol	14	78
Assoc. British Ports	29	495	Ultramar	10	168
Hillsdown Holdings	28	286	Britoil	8	174
Amersham Int'i	26	645	Northern Engineering	8 7	79
Dixons Group	25	385	Morgan Grenfell	4	391
Rothmans Int'i	25	233	Hill Samuel	7 6	481
Glaxo Holdings	24 24	1,598	Allied Irish Bank	2	240
United Scientific		230 327	Harrisons & Crosfield	6 6	471 495
Corcros British Printing	23 23	335	Assoc. Newspapers Willis Faber	5	439
Tokyo Stock Excha					
Compiled by Morgan Stanle	_	national. Pric	es in yen.	•	
Kobe Steel	55	298	Nintendo	23	9,570
Ajimoto	51	3,000	Nippon Shinpan	18	1,020
Sumitomo Chemical	43	739	Mitsuboshi .	18	1,870
Ul Nippon Airways	38	1,840	Orient Finance	17	1,010
Aitsui Shipbuilding	37	230	Secom	15	7,300
apan Line	36	128	Daiwa Bank	14	1,630
Mympus Optical	35 28	1,380	Furukawa Electric	14	469
lagoya Railroad	28	808	Bank Yokohama	14	1,410
lapan Air Lines	27	16,200	Hitachi Credit	14	1,720
Showa Denko	26	540	Orient Leasing	14	3.460

few seasoned issues that appear to offer good value. One is the 6percent convertible bond of Pep Boys, an auto-parts retailer with a

high investment-grade rating. The price of the Pep Boys convertible has risen to about \$1,170, of a Value Line publication on giving it a current yield of about convertibles, says there are still a 5.25 percent. At that level, the pre-

mium for converting it into shares is about 19 to 20 percent, Mr. Hunter says. The issue is callable after November 1988. Another attractive issue, he

says, is the 8.25 percent convertible bond of DBA Systems, a computer systems firm that specializes in aerospace applications. The

bond has a current yield of 7 percent and is trading at a conversion premium of 15 percent. The bond is an attractive way to hold the shares, he says, since the company's common pays no dividend. The issue is callable after November of this year.
William McBride

Junk Bonds Make a Comeback

By Anise C. Wallace

N THE WEEKS AFTER the Ivan F. Boesky scandal broke, junk-bond prices dropped sharply as buyers all but disappeared. They were worried that Drexel Burnham Lambert Inc., the dominant force in the market for these low-rated. high-yield bonds, would be dragged down by

government insider-trading investigations.

But while those fears have not evaporated, the junk-bond market has roared back. Bond prices have surged, and the yield spread be-tween junk bonds — rated Ba or lower by Moody's -and long-term Treasury issues has narrowed to about 4.5 percentage points, from about 5.25 points in December. An example: an 11.75 percent, 10-year bond issued by Safeway Stores Inc. in December at par (100), is now selling for 105%, yielding about

It percent.
Indeed, some investors believe that the Boesky shock waves have been healthy for the junk-bond market. Its recovery, they say, indicates that the market is more resilient - and liquid — than had been perceived. Others argue that, the recent raily aside, junk bonds are still "junk," and are not for widows, or-phans or the faint of heart.

Because of the rally, fewer bargains are Because of the rany, rewar pargains are available—a sharp contrast from December, when investors were predicting the fall of the junk empire. Then bonds practically went begging, creating a "buying opportunity" for investors with strong stomachs.

Why the recovery? Experts cite two factors:

First, investors are increasingly confident that the junk market will survive the insider-trading scandal, even if some of the market's participants do not. Secondly, at the beginning of the year there was a shortage in the supply of such bonds.

The money pouring into junk bonds comes

from both institutions and individual investors. Last month, for example, more than 100 institutional investors showed up in New York for a meeting held to promote Holiday Corp. junk bonds. Since the first of this year, the \$100 million in net cash flow to the T. Junk Bonds Raily . . .

Rowe Price high-yield bond fund has made it this year's most popular choice among the Baltimore firm's fixed-income mutual funds. The net assets of the Massachusetts Financial High-Yield Trust have jumped 9.47 percent in the same period.

All this renewed interest has made some

seasoned investors jittery. Some experts point out that many smaller insurance companies and savings and loans are jumping in to buy junk without understanding the risk. "I'm shocked by the numbers of people entering this market," one professional money manag-

But even more wornsome to some are the continuing questions surrounding Drexel. If the firm, and/or its junk-bond pioneer, Mi-chael R. Milken, become paralyzed by the scandal, Drexel may be unable to create an orderly market. That could panic investors, who might pull funds out of the market. Prices could plunge. Other firms then might reduce their exposure to junk bonds, further drying up liquidity. While some Wall Street firms

might step in to fill the void, they would mop up only the best of the junk bonds and leave the ones "no one wants to touch," suggests Michael Metz, investment strategist at Oppenheimer & Co. in New York

Perhaps the biggest worry for the junk-bond market is a possible recession, which would render many of the highly leveraged companies that have issued the bonds unable to meet interest payments. In fact, investors who specialize in junk bonds admit that this risk is greater than the risks facing Drexel.
"The risk you take is credit risk," says Talton
R. Embry, president of New York's Magten Asset Man

Robert Wallace, president of Gateway Advisors in San Jose, agrees. "The default rate for junk bonds in 10 years will look different than it does today," he says, suggesting that the rate will increase because of economic problems in specific industries such as energy, steel and containers

AS A RESULT. Mr. Wallace, whose off-shore mutual fund and purvate ac-counts have advanced in value almost 20 percent since the beginning of the year, is concentrating on the junk-bond issues used to finance mergers and corporate restructurings and spin-offs. But he says he has bought these "deal" issues only when he was convenced that the companies could meet the high-coupon interest payments through possible asset sales

or divestitures.

He cites as examples the securities issued by Holiday, Owens Corning and Beatrice. "It requires reading all the published material available about the mergers," he says.

Many professionals are avoiding the junk issues with extremely high coupons — 14 percent or greater — because of the likelihood that they will be called in the next few years, as companies try to replace this high-cost debt with lower-yielding issues. If that hangens with lower-yielding issues. If that happens, investors then will have to reinvest their proceeds in issues with much less return.

And, after the bankruptcy of LTV Corp., many also are avoiding junk bonds of compa-nies in troubled "smokestack" industries such

9 1986 The New York Times

In Vienna, the Party Hits a Lull

By Ferdinand Protzman

FTER TWO YEARS of heady advances, the Vienna Stock Exchange doldrums. Equities analysts are forecasting lower prices and volume, as the bourse struggles to adjust to slower domestic economic growth, diminished foreign participation and the strong Austrian schilling

"In 1987, investors will earn considerably less in the Vienna stock market than in 1985 and 1986," says Gerhard Grund, who heads the securities trading department of the Genossenschaft-iche Zentralbank AG. "We exnect a downward correction of about 10 percent from current price levels and rather small volume before shares stabilize."

most-watched measure of the Viema exchange's performance, has already dropped to a level of 204.36 on Friday, compared with a reading of 231.99 at the beginning of the year.

The declines so far this year contrast sharply with the market's performance in the recent past. The once moribund exchange surprised the world in 1985 as share prices rose a stunning 130 percent to top all global equity markets. In 1986 prices fell as many investors took profits, but volume rose 50 percent and 10 new issues were introduced. Those achievements were all the more remarkable considering the old-fashioned trading procedures that had prevailed since the fall of the Hapsburg monarchy in 1919.

"It is unfair to measure the mar-ket against 1985," says Alfred Re-gele, director of securities trading about 41 billion schillings by 1991,

for Creditanstalt-Bankverein, Austria's largest universal bank. It was an extraordinary year, probably a bit too strong a perfor-

Analysts agree there will not be an encore in 1987.

The most obvious change on the Vicana exchange is the relative absence of foreign investors, whose heavy purchases were the driving force behind the 1985 boom. Profit-taking by investors from abroad was the main factor in 1986. In 1987, they are staying away, ana-

lysts say.
"Foreign investors really aren't an important factor right now," says Mr. Grund. "Some West German investors are still here, but the British and Americans are largely gone. They played the most important role in 1985 and 1986." According to analysts, the strength of the dollar against other

major currencies in 1985 was what first brought bargain-hunting foreign investors to Vienna. Since then, however, the Austrian schilling has strengthened considerably, with the exchange rate currently holding at about 13 schillings to the dollar, compared with around 24 schillings in 1985.

"We are a hard-currency country," says one analyst. "The stock market isn't going to rebound un-til the dollar begins to strengthen again. The market does offer an opportunity for those following an anti-cyclical strategy, but the profits won't be quick. It could take a

Austria's economy is also weighing on the market. The newly formed coalition government is grappling with severe structural problems in Austria's largely state-owned industrial sector

structuring measures. The govern-ment is also shaping plans for tex-reform and spending cuts, but no significant action is expected be-

While Austria has yet to release gross national product statistics for 1986, most economists believe that GNP growth was around 2 percent, down from 3 percent the previous year. For 1987, initial estimates are for GNP growth between 1.5 and 2.0 percent.

On the plus side, interest rates are relatively low, with the nation's discount rate now at 3 percent. Inflation is also low. After a 1.7 percent inflation rate in 1986. economists are predicting a slight increase to 2.3 percent in 1987.

Despite the lackluster economic from outlook, analysts say the market is 1985. in much better shape now than it was before the boom. The exchange's total capitalization rose to 84 billion schillings in 1986 from 74 billion schillings in 1985, while the number of Austrian stocks traded rose to 63 from 51 and the number of foreign stocks rose to 29 issues from 26.

HANDFUL OF domestic issues, such as Creditanstalt, account for the bulk of daily trading, which has had average volume of about 38 mil-lion schillings in recent weeks. Creditanstalt is cautiously rec-

ommended as a buy, although analysts note that the bank had delayed a recent share issue because of the market's general weakness.
The bank has severely pruned its
industrial holdings, which have
hurt earnings in the past.

Of the other banks, Österrei-chische Länderbank AG and Genossenschaftliche Zentralbank are seen rising against the trend in

Of the smaller stocks, machine maker Veinscher AG emerges as a nearly unaminous pick by ana-lysts, although one Viennese market observer describes the recommendation as "hardly extracting, since it is one of the lew compa-

nies making a profit."
Veitscher's 1986 results have not yet been released. In 1985, net profit was up 43 percent to 213.04 million schillings from 149.0 million schillings in 1984.

Analysts siso like Manner Markhof AG, a food products company. "I think we will see very strong profit growth at Mantner in 1987," one analyst says. The com-pany has not released its 1986 resalts. In: 1985, net profit was 24.5 million schillings, off 6 percent from 26.2 million schillings in

Gösser Brauerei AG, one of the leading Austrian breweries, is seen doing well this year by the analysts at Creditanstait. While 1986 fig. eres are not available, analysis ex-pect a strong rise from 1985's net profit of 30.6 million schillings Strong carnings gains are also expected for 1987.

Lenzing AG, a favorite pick of many analysis in 1986, is not enjoying similar status this year. The synthetic-fiber maker faces tough competition in the world fiber market and many analysts ques-tion whether the company can keep pace.

Total Return

Technical problems prethe calculation of 12-month total returns for major stock and bond markets in time for this issue of Personal Investing. The total-re-turn chart will reappear in the April 13 issue.

OT ALLIANTO YOU CAN WIN BIG! **Play the Famous Canadian Lottery**

- Lotto 6/49 -

Millions of people have already won! — Over a \$Billion in Winnings to date! — Now you can play the lottery that's making so many millionaires! There are two draws a week for a Minimum Jackpot of \$1 Million!

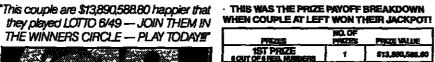
1. Select any 6 of 49 possible numbers on up to 6 game boards below — 2. Choose the length of time for your play, (Notice the Special Free Bonus Draws) — 2. Fill in your name and address and then mail together with your payment to the address below — AND YOUTHE ON YOUR WAY!!

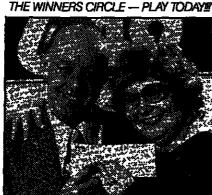
When You Win!

You will be notified immediately upon winning a prize of \$1,000 or more and you will receive a complete list of all winning numbers after every tenth draw so you can check how you are doing. Upon completion of your subscription you will be sent a Final Statement of your winnings. All prize money will be converted to the

currency of your choice and forwarded to you anywhere in the world.

PLAY TODAY!





PREZES	PHIZES	PRICE WALUE
1ST PRIZE 6 OUT OF 6 REG, MARBERS	1	\$13,890,588.80
2ND PRIZE SOUT OF FILLIE BONUS	10	\$443,481.60
3RD PRIZE SOUTOF4	716	\$3,704,70
4TH PRIZE	48,917	\$139.30
STH PRIZE	965,712	\$10.00
70'04, PRIZES 1,014,758		AL PRIZE VALUE STA43,228,10
'All prince quoted in Canadian doll	I II.	

Canadian Overseas Marketing P.O. Box 48120, Suite 1703-595 Burrard St.. Vancouver, B.C. Canada V7X 1S4 Telex: 04-507822

O 6/49 SUBSCRIPTION ORDER FO

ORDER TODAY! Mark six numbers on each game board



you wish to play.			٠. ٠	•					••••		C		•							_			·	٠							
you wan to pay.	1.	a	10	203	040	Ī	2	10	203	040	1	3	10	20	30 4	J	4	10	20	30	40	İ	10	20	30	40	6	10	20	30/	ю
2 10 30 60 10 20 00	ŀ	[1]	11	21 3	1 41	þ	1	11	21 3	1 41		1	11	21	31 41	1	1	11	21	31	41	. [1	11	21	31	41	1	11	21	31/4	s 1
1112		2	12	22 3	2 42	ł.	2	12	223	2 42	ľ	2	12	22	32 43	2]⋅	2	12	22	32	42	2	12	22	32	42	2	12	22	32	12
	١.	3	13	233	343	ŧ.	3	13	23 3	343		3	13	23	334	3	3	13	23	33	43	13	13	23	33	43	3	13	23	334	13
神田 心	ľ	4	14	243	444	ľ	4	14	243	4 44		4	14	24	14 44	1	4	14	24	34	44	4	14	24	34	44	4	14	24	34 4	14
明即		5	15	253	5 45	}:	5	15	253	5 45	H	5	15	25	35 43	١.	5	15	25	35	45	5	15	25	35	45	- 5	15	25	35 4	15
The part of the pa	l,	6	16	263	6 46	ł.	6	162	263	646		6	16	26	36 46		6	16	26	36	46	[6	16	26	36	46	6	16	26	36 4	16
a 182838		7	17 2	27 3	7 47	ŀ	7	172	73	7 47	ŀ	7	17	27 3	7 47	1.	7	17	27	37	47	7	17	27	37	47	7	17	27 :	37 4	7
CK YOUR PLAN — Check only one box below next to	ŀ	8	18	283	8 48	ŀ	8	18 2	28 3	8 48	Ŀ	8	18	28	38 48		8	18	28	38	48	Je	18	28	38	48	8	18	28	38 4	8
option of your choice. ALL PRICES IN U.S. PURIOS	ŀ	9	192	93	949	ľ	9	192	93	9 49	Ŀ	9	19	29 3	949		9	19	29	39	49	9	19	29	39	49	9	19	29	194	9
REE BONUS > CONTROL	1					٠.:	_		# - E			·		_			_				_	_			<u>:</u>	_	_				
2 DBLW 4 DBLWS	a	Me Ind	Ke Ma	Ch Ril &	equ 7: P	10 20	or Be	Bar Ox 4	nk E 1812) Ted 20, 3	rt (1 Sui	ņl He	J.S 17(. н ХЗ-	und: -595	s)	un un	ar ar	ие dS	10: }\	Vai	ina icc		97, 1	B.C	аг э е ≿, С	an:	ade	٧7	7X .	19 154
10 Weeks 28 Weeks 52 Weeks										•									_								_				
TO STORICE BY Wheeler		_		_	_	_	_	_	_	_	_		_	_	_	_	_	_	_		_	_									

(20 Draws) (52 Draws) (104 Draws 1 Game □\$ 45. □ \$112. □\$ 225. 2 Games □ \$ 90. □ \$225. □ \$ 450. 3 Games □ \$135. □ \$337. □ \$ 675. 4 Games □ \$180. □ \$450. □ \$ 900. 5 Games □ \$225. □ \$562. □ \$1125. & Games □ \$270. □ \$675. □ \$1350.

VALID ONLY WHERE LEGAL
"NOT AVAILABLE TO RESIDENTS OF SINGAPORE"

Y156

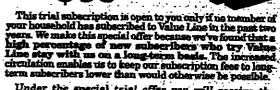
	E		Ė	Ε.	1			_	-	1	Н	1		4		72	ш		Щ.	7	T	1:-	ŀ	ш		П				-	**	-	₽ .	ł
		7	17	27	37	47		7	17	27	37	47	ŀ	7	17 27	37	47	- {	7 1	7 2	7 37	47		7	17	27	37	47		7	17 27	37	47	1
	ŀ	8	18	28	38	48		8	18	28	38	48	•	8)	18 28	38	48		8)1	82	8 31	48		8	18	28	38	48		8	18 2	38	48	1
		9	19	29	39	49		9	19	29	39	49		9	19 29	39	49		9 1	92	139	49		9	19	29	39	49	ď	9	19 2	39	49	I
		_	_	-	77	لتا س		_				يبا	_	7		_	<u> </u>	_	_	1		_	_	브	Ξ	ب.	프	_		_		<u>.</u>	느_	j
l	1	Ma	ke	C	he	qu	9 6)T	88	nk	D	र्खी	t (ii	ηl	J.S. I	Fur	ıds) p	ау	abl	e to	: C	ar	a	lia	n ()vr	ere	e 2	ıs,	Mar	ket	ing	1
•	а	no	M	ail	to	P	D.	Be	αx	48	120), S	ù	te	1703	- 5	95	Βi	ın	ud	Sì.,	V٤	NJ(201	W	er, 2	3.C	٤, (Ca	Ŋź	ada \	גדו	1 S 4	
																					_									_				_
i)	Ne	ne							_									_	Tek	ph	ne.	and	Ar	88	Co	de								Ī
	Ādi	Ìe	59/	P.C	, B	OX.	_		_		_		_					_	-		_									_				-
	_	_			_	<u>.</u>	_	_								_						_		_	_	al C	-	_	_			_		-
	CIT(_	_		_					_	, OL	inity			_					_				U		Εxq	oʻr	y			ı
		U	ΠĐ	qu	B	با	1 1	D	ш	(D	B	π	L	ij		7		۳	۱.		d		u	ı	_	à			Dε	*		_		-1
	_					•																												
	_	_	Ī	T	7	Ī		Γ	T	7	T		_	Ĭ		٦			1									_						_
			T it (N	m	he	Ι		1			Ľ]		_		_			Sk		atu.	ire	-				-
	Ch		it (] Zau	<u>d</u>	Nu	m	be		1	1		_	Ľ		1] .	_	_		_	-		Sk	_	atı	ire	,				-

CANADIAN OVERSEAS MARKETING ORDER FORM

EACH BOARD - 1 GAME MARK & HUMBERS ON EACH BOARD YOU WISH TO PLAY

If you have a minimum of only US\$2,200 (or the equivalent amount in any currency) to invest over a long period, this high income investment is for you. You will own one or more containers and we will rent them out for you to major shipping lines. You will receive a high inflation related income, with your capital totally secure. We manage container investments for Investment Trusts, Companies and Private Owners worldwide. Income is paid without any deduction for tax to any address of your choosing. For our brochure, which fully explains this unique opportunity to invest fill in the coupon. Please send me details of Equipment Investment To: ICE Marketing AG, Arnold Böcklin Strasse 29 CH-4011 Basel, Switzerland. erland 061-540 355, Telex: 965593, Faz: 061-545 112.

Receive 12 weeks of Value Line for \$85



Under the special trial offer you will receive the 2000 page Investors Reference Service (illustrated above) at no extra cost. You'll receive all the new full page reports to be issued in the next 12 weeks on the more than 1709. American stocks and 92 industries regularly monitored by The Value Line Investment Survey.

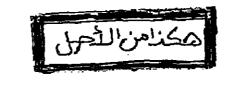
Take advantage of this special introductory offinitions receive as bonuses without extra charge, the 2000 per investors Reference Service and the "A Subscriber"s (Said booklet which explains how even inexperienced investor can apply thousands of hours of professional research to their own portfolios by focusing or bonly two unequivocal ratings, one for Timeliness (Parlors ance in next 12 mounts), the other for Saidsty, Serpsyment along with name and address together with this sto Dept. \$131.01

THE VALUE LINE

711 THIRD AVENUE, NEW YORK, N.Y. 10017,
U.S.A.

Payment in local currencies (British & 60, French & 600, Swiss & 160, DM 190) and requests for information should be distributed to Value Line, Att. Alexandre de Saint-Phelle, Tokue de Villers, 75007 Parts, (Tet. 45, 81, 83, 59).

Distributed by KLM Royal Dutch Airlines Publications Distributed by KLM Royal Dutch Airlines Publications Distributed Service Holland. Allow 4 to 6 weeks for del



A Member of the Inter-Continental Equipment Group of Compan

WAIT. MARCH E

given Choic westors R

DARIS - Alfer and min the Europe the beavest described where the control of lower than the deliar and the property of further than the property of further than the control of The prospects of the case was double-client to the case with the case was double-client to the case with the case was a function of the case with the case w iss ra

the cuting the Vers Western decime IS TO INSTITUTE OF Durche Bank in the rather are are gica money Las was lend for played and bear for control of the control ber boads on a very one be mapon of 4 persons Marketille, backers The salestical arter is which shid the

Marie Stricter die.

delma-yielding sale in

Te late week acon to atom coployment was

his dropped as investi the up steam (aster th minuter decreases in unit which rese . " officials would rough sport the dollar, it now ente is about to test sine. haverent for forces a incloraien exchange ma BeAnstralian down The

minds magnet for take o lle Australian doi 25 m and as the high an Borner for the Furniture siment that provided ; som for no protection on lle lorunda was introv latalia, rated triple-A it Mittanaga coupen et 16: saderay year. He ders upon or requesting rates This means investors care macy which is certainly

OM is using this format mest rates will decline Binversed with sin for some point this units his, rather than looking Me percent, CBA would le famile was a significant कार प्रदेश स्थाप का ansed from the 100 mill mand to 125 million dell tedably firm — a discor sphonly after the accoun The State Bank of South hank, but set an initial co to issue does not have a nou muse — extracting :

be a new likely to trade See EURO Last Weel

The five other Australian

ing heat CBA

Curren

Herald Eribune. BUSINESS/FINANCE



EUROBONDS

Given Choice in Issue Surge, TWA Bid Investors Rush for Sterling

By CARL GEWIRTZ

International Herald Tribune ARIS - After weeks of effort to regain its past momentum, the Eurobond market sprang to life last week with the heaviest volume of new issues so far this year in a dazzling array of currencies. The standout sector was Sterling where the currency, buoyed by firmer oil prices and expectations of lower interest rates, gained more than 2 percent against the dollar and Deutsche mark.

The prospects of further appreciation and potential capital gains as interest rates ease had foreigners scurrying for bonds still bearing double-digit coupons.

The rush into sterling pushed rates solidly into single digits and only American Express Overseas Credit set a coupon of 10 percent - less real than it looked since the £40 million of In sterling,

seven-year notes were priced at 101%, cutting the yield to Deutsche Bank The rapid decline in interest rates was best demonstrated by Dentsche Bank, which ear-

got a long maturity ly this year tapped the market and a cheaper rate for 5-year money. Last week it returned for 10-year funds paying 4 point less. Demand for equity was no less strong, enabling Tesco, the British retail chain, to increase by £15 million its £115 million of 15-year bonds convertible into stock. The issue carried a record low coupon of 4 percent and the bonds ended the week up 54

More generally, bankers reported a significant increase in retail demand for bonds — especially high-coupon sectors.

The statement after last month's meeting here of finance ministers, which said "they agreed to cooperate closely to foster stability of exchange rates around current levels," is now being taken more seriously than at first and money is now shifting out

of the lower-yielding safe havens of Deutsche mark or yen bonds. The late week news of a surprisingly large increase in U.S. nonfarm employment was a setback for the dollar bond market. Prices dropped as investors decided the U.S. economy was picking up steam faster than anticipated, ruling out any imminent further decrease in interest rates. But this was good news for the dollar, which rose on the foreign exchange market.

ALTHOUGH SOME currency dealers had predicted that the vague communique after February's meeting of finance officials would result in a quick test of official resolve to support the dollar, it now appears that the foreign exchange market is about to test their tolerance of a higher dollar.

In any event, for foreign investors buying dollar paper, the gain in the foreign exchange market counterbalanced the fall in bond

The Australian dollar market, with its very high coupons, also remained a magnet for investors willing to gamble on the currency. The Australian dollar is not part of the February currency pact and, as the high coupons indicate, is a candidate for

However, for the first time, investors last week were offered an instrument that provided good protection on the currency in

return for no protection on interest rates.

The formula was introduced by Commonwealth Bank of Anstralia, rated united A. It offered five-year paper at a price of 101 bearing a coupon of 16 percent. The earch is that the coupon is reset every year. Holders have the option of accepting the new coupon or requesting redemption.

This means investors can take only a one-year exposure on the currency, which is certainly safer than being locked into a five-

CBA is using this formula because it obviously hopes that interest rates will decline. At present, the rate structure in Australia is inverted with short-term rates higher than long-term. Yet at some point this unnatural state should reverse.

Thus, rather than locking in five-year money now at around 141/2 percent, CBA would rather pay 16 percent for one year hoping to achieve a significant cost saving in subsequent years. The formula was well-received and the amount of the issue increased from the 100 million Australian dollars initially annonnced to 125 million dollars. The price of the issue had held remarkably firm — a discount of only 1/4 point — and slipped sharply only after the amount was increased and a similar issue

The State Bank of South Australia used exactly the same formula, but set an initial coupon of 164 percent. Unlike CBA, this issuer does not have a government guarantee and is a less known name - explaining the higher coupon. But the competi-

The five other Australian dollar issues were for the usual assortment of high-quality names offering medium-term paper that is never likely to trade actively. Among the issuers were

See EUROBONDS, Page 15

Last Week's Markets

1		السوية					_
Stock b	- Love			Money Rat			
		Feb. 27	Ch'ee	United States	М	arch é	Feb. 27
United States		2.223.99	+ 2532	Discount rate		51/2	<i>5</i> 1/2
DJ Indus.	2,280,23	2,223,57	%	Federal funds no	te '-5	15/16	· á
		218.97	+ 0.05%	Prime rate		7/2	71/2
רואח גים	219.08 958.21		+241 %	Jepan .			
DJ Trons.	936.21 280.41	0.0.		Discount ·		21/2	27/2
S & P 100	290,66		+ 2.27 %	Call money	3	75/1 6	4
S&P 500	331.36	322.70	+268%	3-month interior	ĸ	376	314
S&P Ind	165,45	162.01	+212%	West Germany	•		
NYSE CP	1001			Lombard		5	5
Britoin			+ 0.96 %	Call money		3.90	3,60
FTSE 106	1,998.20	4 609 50	+ 1.00 %	3-month Interbon	k	405	4
FT 30	1,601.40	1,377.00		eril <u>ak</u> o			
Japan .				Bank base rate		11	17
Nikkei 225	21,105.85	20,421.66	+ 3.35 %	Call money		111/2	114
	·			3-month intertion	k .	1014	10 7/16
West German		1,711,70	+251%	Deliter*	Morch 6		
Commerzbi	1,3500			Bk Engl Index	103.95	103.80	+ 0.10 %
Hong Kang			-283%	Gald .			
Hone Sens	. 2,798.64	2,877.30	180	Landon pure, fix.5	406.30	405.25	0,11 9
World Index		on Stoniev	Capitol Infil				
World Index	FIRM MAN S						

Currency Rates

!				
reas Rates susteriam 25745 resista 38,0075 resista 1,354 sedon (b) 1,357 siliem 1,3046 sw York(c) 4,113 okyo 1,555 scci 1,351 Sorich 1,555 Sor 1,245 lesings in Lendon on on on on one of Commercial front	\$ D.M. 129 11292 40225 20769 2-986	F.F. It.L. 1234 • 0.150 • 6.224 2.514 • 1.40 × 2.742 × 2.745 • 1.745 × 2.736 • 1.715 • 1.745 •	Gldr. B.F.	

dollar (*) Units of 100 (x) Uturs of (x) To buy one pound: \$U.5.1.594. Currency per U.S.S Max. pero 1,057.00 M. Zeolond 5 1,7973 Nile. native 3.92 Herral trone 4.929 Phil. pero 20.00 Peril. escuto 141.05 Soudi rivol 3,1503 Sien. 8 2,1405 S. Afr. road 2,0725 Other Beller Values

U.S. Halts For USAir

First Plan Fails To Meet Rules

By Agis Salpukas

Now York Times Service

NEW YORK — The U.S. government has dealt a significant set-back to Carl C. Icahn's attempt as chairman of Trans World Airlines to gain control of USAir Group

The Department of Transportation, supported by the Justice De-partment, rejected Friday TWA's application to acquire the Washington-based carrier. Last Wednesday, Mr. Icahn said he had offered about \$1.65 billion to acquire all of USAir's stock.

The Transportation Department said that the application "clearly fails to comply" with federal rules on airline mergers and did not pro-vide the analysis and information necessary for the agency to deter-mine whether the takeover would be anti-competitive and in the pub-lic interest. USAir said Friday it had asked the Department of Transportation to dismiss the TWA bid on these grounds, and to

order TWA to sell its USAir shares. The agency also said that the Justice Department had found that the application "appears incom-plete on its face."

USAir had said if the application was dismissed, Transportation De-partment rules would limit TWA to buying only 1.5 percent of its 31.7 million shares outstanding. TWA said Friday that it had increased its stake to about 15 percent, or more than 4 million shares, after earlier announcing it was the company's largest shareholder with less than 10 percent. It was not immediately clear whether TWA will have to begin selling its holdings.

Mark Buckstein, TWA's general counsel, said that the carrier would be filing "a perfect and completed application" Monday morning with the Transportation Department. But sources close to the Transportation Department said the strong stand of the Justice De-See TWA, Page 17

Bell Finds Ideas Alone Don't Pay

Labs Learning Importance of The Marketplace

By Michael Schrage NEW YORK — If there's a

single place that symbolizes U.S. scientific brilliance and hightech ingenuity, it is Bell Labora-

Averaging a patent a day since its founding in 1925, Bell Labs has brought forth such fundamental technologies as the transistor, the laser and the communication. nications satellite. Seven Bell Labs scientists have won Nobel prizes.
"You could offer me the

smartest guys from the sharpest research labs in the world, put them together, square them, and I'd still prefer the Bell Labs guy in terms of sheer brilliance," said Peter Keen, who did consulting work from 1976 to 1979 for Bell Labs, the research and develop ment arm of American Telephone & Telegraph Co.

But if there is a single place that symbolizes the difficulties in transforming brilliance into profitable products, that, too, is Bell Labs.

"There are a lot of myths surrounding the divestiture." Jack Grubman, a Paine Webber analyst, said of the divestiture in 1984 of local operating companies that made up the Bell Sys-

had all this technology on the shelf just waiting to go out the door and blow away IBM. That is why AT&T from Day I was viewed and valued as a technology company. The reality was that the shelves were bare," said Mr. Grubman, who spent eight years at AT&T.

More than three years ago, Charles Brown, who was then the chairman of AT&T, asserted that one crucial benefit of the impending divestiture would be the "unleashing" of Bell Labs' technologies upon the global market-

"I thought it was an unrealistic phrase," said Edward Goldstein, 36, a former AT&T corporate vice president for strategy and



Researchers at Bell Labs working on computer chips.

development who left in 1985 to become a principal in Manage-ment Analysis Center, a consulting group in Cambridge, Massa-

"The phrase was based on a parochial view," he said. "In fact, top management had never had to test the quality, the marketability, the competitiveness" of the labs' technology. "The

world wasn't waiting for the labs' technology to be unleashed."

Gordon Bell, a former Digital Equipment Corp. executive who now runs the National Science Foundation's computer science directorate, said of the "unleashed" labs: "The dog doesn't have any teeth."

But he added, "I really have empathy for the labs. They've created so many innovations that the world has benefited from. I still view them as a national re-

source for basic research."
AT&T's problem is how best to take the labs' research, ideas and innovations and package them as products and services that can generate growth for a \$35 billion-a-year corporation.

In the past year, AT&T has announced tens of thousands of layoffs, a multibillion-dollar write-down on equipment and a

divestiture plans to compete in computers. Such moves wiped out most of the company's earnings for 1986. AT&T had hoped that Bell

Labs would be its cutting edge in high technology markets ranging from semiconductors to soft-ware. But while the labs play a vital role in AT&T's core telecommunications businesses such as producing equipment for elec-tronic switching and telephone networking, they have been con-spicuous by their absence in the company's efforts to carve out new markets.

"In the areas in which AT&T has not traditionally been, the impact of the labs has yet to be realized," said Robert Casale, formerly head of AT&T's computer efforts and now a vice president of mergers and acquisitions for Kidder, Peabody & Co. Inc.

The market is still waiting." Jacob Goldman, a venture capitalist who formerly ran corporate research and development at Xerox Corp., said, "As far as impact on the product world is concerned, it almost borders on the shocking.

With deregulation, you'd See BELL, Page 17

Planned Airbus Said to Have 4 Firm Customers

By Warren Getler

al Herald Tribune LONDON - Airbus Industrie representatives have said that the European aircraft consortium has four firm launch customers for its planned A-340 long-haul jet, sources at British Aerospace PLC, an Airbus partner, said Sunday.

Airbus has said it needs five launch customers before March 31 to justify the manufacture of two new jets, the A-340 and the shortto-medium range A-330. Three Airbus partners, Aerospa-

tiale of France, Messerschmitt-Bölkow-Blohm GmbH of West Germany and British Aerospace, have asked their sponsor governments for about \$4 billion in launch aid for the A-330 and A-340 planes.

With four major launch customers apparently in hand, Airbus's supervisory board, at a meeting on Friday in Toulouse, France, is ex-pected to urge sponsor govern-ments to commit themselves to aid for the new planes.

To date, Lufthansa AG of West Germany is the only carrier to have officially announced firm orders, for 15 A-340s with options on an additional 15.

But Airbus officials said last week that Air France, which had been considering an order for six or seven A-340s, could now be counted as a launch customer, as could a third European national airline and one non-European flag carrier.

But the officials, who made their comments at a briefing of parliamentarians arranged by British Aerospace, were unwilling to name the two other carriers at the request of those airlines, according to British Aerospace sources.

A source close to Sabena, the Belgian national carrier, said the airline was giving "very serious consideration" to the A-340 as a replacement for its five McDonnell Douglas DC-10 long-haul jets, and may be close to reserving delivery positions on five or six A-340s.

The source said that that would be a precantionary, but not bind-ing, move to obtain advantageous terms should the airline opt to place firm orders.

Sabena, however, has not formally decided on ordering the A-340 or the competing McDonnell had cut its output below its 15.8 Douglas MD-11 aircraft, the million barrel quota. source said. McDonnell Douglas decided in January to go ahead ters might not find it necessary to

with the long-range plane.

ments say the aid consists of loans

that must be repaid. The French and West German governments, as early as 1985, signaled their readiness to provide aid, if the jets are shown to be commercially viable, but the British government has not.

Britain's trade secretary, Paul Channon, is to meet with executives of British Aerospace on Monday to discuss BAe's request for £750 million (\$1.19 billion) in launch aid, spread over several

"Thus far," according to a British Aerospace source, "the govern-

ment has not made us an offer." The government decision will depend heavily on how broad a base of launch customers the A-340 and

"British Aerospace is not going to go ahead with this project unless we've got adequate government assistance," a BAe official said.

OPEC Chairman Expects Quota To Remain Same

LAGOS - Rilwanu Lukman, OPEC's president, said Sunday that OPEC had carefully worked out its ceiling of 15.8 million barrels per day and might not consider a reduction soon despite solid demand for oil.

Mr. Lukman, who is also Nigeria's oil minister, was speaking on his arrival from an official visit to Jamaica. He estimated that demand for oil from the Organization of Petroleum Exporting Countries was 17.1 million barrels per day.

OPEC's 15.8 million barrel ceilne which covers the first half of 1987, drove prices up to the \$18 a barrel target set by OPEC. Prices then retreated because of what OPEC blamed on heavy stock depletions by non-OPEC producers.

On Friday, prices for the U.S. benchmark crude, West Texas Intermediate, moved above \$18 a barrel on cash and futures markets for the first time in recent weeks. Traders said the price could rise further as reports proliferated that OPEC Mr. Lukman said OPEC minis-

meet to discuss oil pricing issue The United States contends that before the regular ministerial meetgovernment subsidies to Airbus vi- ing in Vienna in June. A meeting of olate trade laws and allow the con- the ministerial committee on price sortium to compete unfairly with differentials originally set for last ful rebellions against the president. Boeing Corp. and McDonnell week has been postponed indefi-a conservative and a strong U.S. Douglas. However, the govern-nitely.

Duakes Jolt Ecuador Into an Economic Crisis The country, one of the poorer exports were indefinitely halted, before presidential and general

QUITO, Ecuador — Ecuador members of the Organization of faces a deepening of its economic problems and new handicaps to repaying its foreign debt after two paying its foreign d production and exports of oil.

The earthquakes, which struck late Thursday night, killing at least 18 persons, devastated the trans-Andean pipeline that links Ecua-dor's Amazon basin oilfields with the port of Balao on the Pacific coast. Twenty-five miles (40 kilometers) of the pipeline "virtually disappeared," an Energy Ministry spokesman said, and may not be repaired for several months.

For Ecuador, the quakes are a disaster whose magnitude could far exceed the tremors' 6 and 6.8 ratings on the Richter scale. Oil accounts for about two-thirds of Ecnador's exports and 60 percent of government revenues. In recent months the country had been pumping more than 200,000 barrels a day, worth about \$3.6 million a day at current prices around \$18 a

"The simation is incredible," said the health minister, Jorge Brancho. "The earthquake affects the economic situation. We won't be able to sell a single drop of petroleum for up to four or five months."

Funaro Arrives

Thich cut export income by about a

quarter to \$2.18 billion last year. blemished its once clean record in quakes also damaged natural gas servicing its \$8.16 billion debt. On Jan. 31, it suspended interest pay-

line on weekends and holidays and As a result, the government limiting sales on weekdays. The

Ecuador's problems are so grave, one official said. 'I just don't know where we'll get the money to repair the pipeline.

tors, to whom it owes about \$5.4 products. billion, and said it would limit payments to other creditors to 30 percent of export income, compared

with 45 percent in 1986. The country has fallen at least ity measures, and the sharply high-\$83 million behind in interest pay-er prices certain to follow, came as ments. Government officials and a shock. others said the earthquakes would

The French Corn Growers Asso-

ciation has told the European Community's Executive Commis-

ments to its 400 or so bank credi- cities, forcing rationing of those

For Ecuadorans, accustomed to driving with cheap and plentiful gasoline - about 27 U.S. cents a gallon (7 cents a liter) — the auster-

Ecuador had been accustomed to make an already difficult situation relative prosperity, compared with ed Labor Front, wants an outright intolerable. much of Latin America. From the Ecuador is in such dire straits, 1970s until 1985, when oil prices one government official said, that topped \$35 a barrel, Ecuador's "I just don't know where we'll get economy was among the two fast-the money to repair the pipeline." est-growing in the region.

The government moved to gain The crisis also came at an espesome control over the situation. Oil cially had time for the government, ings for debt payments.

one of President León Febres Cor-dero's opponent is likely to be Lieutenant General Frank Vargas Pazzos, a former air force commander who staged two unsuccess-

Mr. Febres Cordero was humiliated in January when paratrooper kidnapped him for 12 hours, and demanded the release from prison of General Vargas. Mr. Febres

Cordero complied. Ecuador, which restored democracy in 1979 after seven years of army rule, has a symbolic political importance in Latin America because it led the region's return to

Foreign debt looms as a major political issue in the elections. Ecuador's union federation, the Unitmoratorium on debt payments and says it plans a general strike.

General Vargos, in hiding, has said he favors the ceiling set by President Alan Garcia Perez of Peru of 10 percent of export earn-

ELOF HANSSON - THE GLOBETRADER®

The international trading house active in pulp, paper, machinery, chemicals, timber, building material, textiles, foodstuffs, steel, consumer goods.



Tel. +46 31 85 60 00, Telex 2530 Subsidiaries in Barceiona, Basel, Beijing, Bombay, Copenhagen, Drammen, Geneva, Hamburg, Helsinlo, Hong Kong, Jakarta, London, Melbourne, Milan, New York, Pars. Sao Paulo, Singapore, and Tokyo. Sales agents in 110 countries.

U.S. Protests Canada's Duty on Corn

In Tokyo on Last Stop of Mission WASHINGTON — Canada's imprecedented move to impose a permanent duty on imports of U.S. com has provoked protests from top U.S. officials. The decision announced Friday TOKYO - Brazil's finance minister, Dilson Funaro, ar-

rived Sunday in Tokyo on the last leg of a seven-nation trip to discuss Brazil's debt payment a countervailing duty has been imposed on a U.S. product because of Japanese officials said Mr. alleged unfair trade practices.
Clayton K. Yeutter, the U.S. Funaro would meet Monday with his Japanese counterpart, trade representative, called the de-cision "totally unjustified" and Kiichi Miyazawa, and with For-eign Minister Tadashi Kuran-ari. A meeting with commercial said it could lead to a rash of similar protectionist moves in other bankers and the minister of in-

expected to leave for Brazil that night. The Brazilian minister has been explaining to governments and banks his nation's decision last month to suspend indefinitely interest payments to private banks that hold \$68 billion of its \$109 billion foreign debt. His visit to Japan follows stops in the United States, Brit-

ternational trade and industry.

Hajime Tamura, is scheduled

for Tuesday, and Mr. Funaro is

ain, France, West Germany. Switzerland and Italy. A Japanese official declined to comment on reports that Brazil would ask for help in raising about \$7 billion in additional credits this year. He said Mr. Funaro's Tokyo visit was decided upon suddenly and "we don't know whether Brazil will

file a complaint against imports of "U.S. com exports to Canada are U.S. corn gluten feed, a byproduct so small that it is inconceivable that

Richard E. Lyng. about five The Canadian government tribuby Canada's import tribunal in Ottawa is believed to be the first time nal ruled that imports of U.S. com

grown with the aid of large govern-ment subsidies have hurt Canadian corn farmers. The tribunal said to offset the U.S. subsidies, Canada would apply a permanent import U.S. com.

The tribunal's majority decision on Friday reaffirmed a tariff im-

"We are going to complain bit-by any reasonable measure," Mr. terly to the Canadians about this Yeutter said. According to U.S. figaction," said Agriculture Secretary ures, its corn shipments account for about five percent of the Canadian

The Ontario Corn Producers' Association initiated the complaint, but on Friday, its president, Cliff Leach, asserted the problem had its start in the grain dispute between the United States and the onty of 84.9 cents per bushel on the EC, in which a compromise was announced in late January.

"We are all caught up in a situaposed by revenue officials, and aption caused by European policies plies to grain corn in all forms, which have been devised for paroexcluding seed corn, sweet corn chial political reasons," he said.

Special People, serving Special People Fly with Jet Aviation, the leading international istion organization, with more than 60 aircraft and thirteen bases worldwide. We have a variety of Business thirteen bases worrowing, we nave a variety or our mission and budget, and also offer a complete range of services, including ground handling, fuel, crew support, maintenance, completion, refurthishment, alreraft management, consulting, technical assistance, as well as leasing and financing. Our executive charter fleet - available around-the-clock: Citation I/I, Citation III - Learjet 35, Learjet 36 - BA 125 - Falcon 10, Falcon 20, Falcon 50 Jetstar II - Challenger 800 - Gulfstream II/III - Boeing 727 - Boeing 707 - DC-8/72

FREE 16-Page Business Valuation Checklist

We're an international leader and serve many of the largest companies, as well as smaller, emerging corporations in all industries, all areas of the world. There is virtually no size or type of business we haven't helped.

This checklist tells you when you need a valuation and what to consider in determining the worth of your business. More than 100 pertinent issues are covered.

It's yours with our compliments.

Offices Worldwide. Call: Gordon Breed Senior Vice President United Kingdom

(0) 272-217020 Over 100 Years of Professional Excellence.

Arthur D. Little Valuation, Inc.

Fidelity Investments Brokerage Services Ltd Fidelity Investments & Securities Ltd Members, New York Stock Exchange - London Stock Exchange

Are pleased to announce the opening of their London office.

Anthony P Psilos, Managing Director Peter G Smythe, Director, Institutional Dealing

23 Lovat Lane London EC3R8EB Telex: 265802

Retail Califree (UK): 0800.010510 Retail: 01.283.4595 Institutional: 01.283.3511



11.22 12.00 14.01 18.37 19.38 18.37 19.38 18.37 19.38 18.35 18.38 18.35 18.38 18.35 Perent Pe

LG Gith
Secinc Unities

LG Consider

LG

Cordel State of State | 12.52 N.L. |
| 12.52 N.L. |
| 12.52 N.L. |
| 12.52 N.L. |
| 12.53 N.L. |
| 12.53 N.L. |
| 12.54 N.L. |
| 12.55 N.L |
| 12.55

11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69
11.69

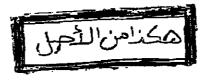
Hannicki i Dyng
FSB GY
FSP EM

Length of the control

Selignic of the control of the contr

Gold 1.46
Graff 1.46
Graff 1.46
Graff 1.46
Graff 1.46
Har 12.17
TXEH 12.17
TX

New Inter



NEW YORK - Better-than-ex-

pected U.S. unemployment data

have dampened hopes for lower in-

terest rates that had been raised by

negative reports on factory orders

Interest rates rose and prices fell

across a broad front in the credit

U.S CREDIT MARKETS

ployment figures proved disap-pointing to dealers and traders.

The Labor Department reported

that the U.S. unemployment rate

remained at 6.6 percent in Febru-

nonfarm employment was almost

		m	Com	Da piled t	tio	na	l Bond Issues
,	lisuer .	Amount (millions)		_		Prior	avilettes
•	FLOATING RATE NO Marine Midland Bank	\$100	1999		·	Weel	i i i i i i i i i i i i i i i i i i i
ŧ	TMC Mortgage Securifies T	£ 200	2014	^	100	99.25	Over 3-month Libor, Callable at par in 1992. Redeemable stock or in cosh, Fees 0.75%, Denominations \$10,000. Over 3-month Libor, Average life 5 to 8 years, Fees 0.50%
	FIXED-COUPON Final Favorice & Trade	\$100	1993	71/4	1011/6		
	General Motors Acceptance Corp.	\$300	1990	7	101%	98.73	priced at \$45 each, giving the right to buy \$500 at a five exchange rate of 1.79 mores per dollar.
	Hoescht Invest	\$100	1992	7%	100%	77.00	Noncollable. Fees 1966.
	BM Credit	\$300 \$100	1994 1997	7% 8¼	100% 101	=	Noncolichia. Fees 1%%. Noncolichia. Fees 2%.
	Int'i Finance Kamenatsu-Gosha	\$300 \$50	1990 1997	6% 7%	101¼ 99¾	99.30	Noncallable. Fees 116%. Noncallable private placement in denominations of \$25,000
	MONY Funding	\$75 \$125	1994 1997	81%	1011/2	98.90	Noncollable. Fees 1%%.
	Nederlandse Gasunie Saab-Scaria	\$100 \$150	1992 1992	7¼ 7¾	101%	99.25	
. ·	Similario Bank Capital Markets Statoff	\$180	1992	7½	101%	99.73	
i	Statoil	DM 200	1993 1997	5% 6¼	1001/4	99.00 98.25	
	World Bank Anterican Brands	DM 250 £ 50	1992 1994	51/4 91/2	100 99%	97.75	Noncallable private placement.
1	Greencon Express Everseos Credit Contenerzbonk	€ 40	1994	10	107%	100.18	Nancolicòle. Fees 176%.
	Overseos Finance Dai-Ichi Kangyo Bank	£ 50	1992	9% 	10114	99.45	Noncollable, Fees 1992, Noncollable, Fees 1992,
	Nederland Deutsche Bank Finance (Curação)	£ 75	1997	9%	10134	99.85	Collable of 100% in 1994, Fees 2%.
	Pirelli U.K. Int'l Finance	€ 50	1992	10	10116	99.88	Noncollable. Fees 176%.
	European Community World Bank	FF 600 DF 100	1997	8¾ 5¾	99½ 100	97.50	Noncollable. Fees 2%.
	Euratom KB-16ima	ECU 50	1993	7½	1011/6	99.50	Noncollable private placement. Sinking fund to start in 1989. Fees 196%.
	Merrili Lýnch	ECU 100	1991 1990	7½ 7 <u>%</u>	1011/2	98.25 99.63	Noncollable. Fires 196%, Noncollable. Fires 196%,
	Alichelin Finance	ECU 60	1990	41/2	100%	98.75	Noncollable. Each 1,000-ECU note with 2 two-year warrant giving right to buy \$500 at a food exchange rate of 1.833 marks per dollar. Fees 11/2%.
	World Bank Canada Zero	FM 300	1994 2001	10 zero	1011/4	99.63 29.00	Semiconnucily, Fees 14%, Yield 9.31%. Noncollable, Proceeds C\$44 million, Fees 11/%
	Quebec City Scotia Mortgage	C\$ 40 C\$ 100	1997 1992	9	100%	98.50 98.75	Noncolloble, Fees 2%.
	Victoria Public Authority Finance	C\$ 100	1992		100%		Noncollable. Fees 176%.
٠	Commonwealth Book of Australia	Aus\$ 125	1992	16`	101	99.88	Coupon will be 16% the first year and will be reset every year thereafter at the one-year Australian Treasury rate. Redesmable every year of par. Fees 11/1%. Denominations
:	General Electric	Aus 75	1990	15	101%	100.00	Aus\$10,000. Noncollable. Fees 1995.
•	Hamburgische Landesbank	Aus\$ 50	1991	15	1011/5	99.50	Noncallable. Fees 136%
-	Monte Del Poschi di Siena (Singapore)	Au 340	1990	15%	10135	99.88	Noncollable, Fact 1928.
	Montedison Finance Overseas	Aud 50	1990	15%	101%:	99.38	Noncollable. Fees 11/2%.
	McDonold's State Bank of South	Aus\$ 75 Aus\$ 50		16%	10114 TO1		Nancallable. Feet 2%. Coupon will be 16%% the first year and will be reset every year thereafter at the one-year Australian Treasury rate.
		Y 12,000	1994	5%	102	100.13	Redeemable every year at par. Fees 114%. Noncollable, Fees 13/%.
	l'Equipement des Collectivités Locales Coisse Centrale	Y 10,000	1992	1	101%	99.63	Coupon will be 1% in first 2 years and 7%% thereafter.
	Desjordins du Quebec Coisse Centrale	Y 10,000	1994	.5	102%	· <u> </u>	Noncollable, Feet 1%%, Denominations 100 million yen. Noncollable, Feet 1%%.
	Designations du Quebec	y 19,009	1992	7070	20 90	79 28	Yield 4.735%, Noncollable, Proceeds 15,130 million year. Fees
		Y 15,000	1992	5	<u> </u>	·	1.59%. Noncollable, Fees.176%.
	Sovings Bank	Y 35,000	1992	51/2	103%	101.50	Nonceliable. Fees 176%,
	I del ene misensina.	y 15,000	1992	4%	103	101.00	Nonculable. Fees 197%.
	Bank World Bank	Y 5,000	1994	4.95	100		Noncollable private placement. Fees 196%.
•	EQUITY-LINKED Ashikaga Bank	\$ 50	2002	open	100	103.50	Semiannual coupon indicated at 25%. Callable at 103 in 1992. Convertible at an expected 5% premium. Fees 25%. Terms to be set March 11.
-	Belli Denki	\$70	1992	3	100	96.00	Noocalable. Each \$5,000 note with one warrant exercisable into company's shares at 1,640 year per share and at 154.40 year per dollar. Fees 25%.
•	Gunma Bank	\$ 50	2002	open	100	101.50	Semiconnuci coupon indicated at 26%, Collable at 103 in 1992, Convertible at an expected 5% premium, Fees 29%, Terms to be set March 12.
•	Hokkaido Bank	\$ 30	2002	open			Coupon indicated at 24%. Collable at 103 in 1992. Convertible at an expected 5% premium. Fees 25%. Terms to be set March 10.
•	Matsushita Bechic Trading	\$100	1992	open	100	103.00	Coupon indicated at 29%. Noncollable, Each \$5,000 note with one warrant exercisable into company's shares at an expected 26% premium, Fees 26%. Terms to be set March 12.
٠	Mitsubishi Estate	\$300	1994	3		:	Nancollobie. Each \$5,000 note with one warrant exercisable into company's shares at 2,817 yen per share and at 154.65 yen per dallar. Fees 24%.
•	Mitsu	\$150	1992	obeu	open		Coupon indicated at 25%. Noncollable, Each \$5,000 note with one warrant exercisable into company's sharies at an expected 25% premium, Fees 26%. Terms to be set March 12.
	Mitsui	\$150	1994	3	open	101.00	Noncollable, Each \$5,000 note with one warrant exercisable into company's shares of an expected 297% premium. Fees 256%, Terms to be set March 12.
	Mitsui Real Estate	\$200	1992	open	100	108.88	Coupon indicated at 296%. Nonceliable, Each \$5,000 note with one warrant coercisable into company's shares at an expected 299% pression, Feet 249%. Terms to be set March
	Devillopment	\$150	2002	256	100	98.50	13. Semicratually, Callable of 103 in 1992, Convertible of 1,350 yen per share and at 154.65 yen per dollar. Fees 28%.
	Omron Tateisi Electronics Japan Synthetic	DM 100	1992	open	100	100.00	Coupon indicated at 25/%. Noncollable. Each 5,000-mark mate with one warrant exercisable into company's shared of an expected 25/% premium. Fees 25/%. Terms to be set
	Rubber Company			4	100	105.25	March 10. Revisements of 127% in 1992 to yield 8%%. Convertible of
•	Tesco	£115	2002	4 	100		524 pence per share, a 9.85% premium. Fees 24%. Each 10.000-franc note with 16 three-year warrants source- able into into company's shares at 2.720 francis per share, a
•	Moet-Hennessy	FF 800					1.57% premium.

The International Herald Tribune Bringing the World's Most Important

News to the World's Most Important Audience

Zero opez

ALTERNATION

option if

時で降

resp. Debit

1 16 15 4 3

ತಾರಿ≎ಕ್ಕೆ

حيضمو ال

N achieve is

and we s

-Jught in 5

Division delication

المتحددة المتحددة

ems retir

ನ್ಯಾಚಿಕ ಜಮೇ:

exchange;

"objectie z

inier zw

ाधारक क्षेत्र 🛬

rende Water

18 TO 18

SE YE

7, 2,5 ct

_71 2: NEW -

ಾನ್ಯಾ ಅದ್ದಿ ಕ್ಷ

FREETY IS IN

ಯಾವ ಬಿಡುತ್ತು

40 Mare 1

Martin 3

人名 经收益

day Sour

- ಡಿನಾಡಕ ಪ್ರ

er Barri

a recent con

ಚಾರಣ ಬರು ಡಚಿತ

ಲೇ ಶೇವರ್:

: عجيلت درخو : enat Sout i

in the test of the

್ಷಣಗಳನ್ನು

Charles as 303

500 in 200

71 % 222 22

- A - 7

white and he is

فأعيمهم يتماننا

THE PARTY OF THE

New Soviet Loan Cuts Cost Without Cutting Profit Data on Jobs

By Carl Gewirtz

PARIS - The Soviet Union recutting the profit for lenders.

At first glance, Vneshtorg, the government bank for foreign trade, succeeded in driving down its borrowing cost by setting the interest interbank offered rate. Previously, the state bank had paid a split mar- the benchmark gin to borrow eight year funds, 14 point margin for five years and ¼ point in the final three years.

Now it is offering to pay only 1/4 point throughout for a \$200 milion, eight-year loan.

In fact, bankers say, there is virmally no change. The new loan is finance actually shorter and the commission paid to lenders higher, giving banks a return that is about equal to what they earned on the previous

The new fee is 35 basis points, or 0.35 percent, compared with the 25 basis points paid last year. In addition, the previous loan was a so-called bullet, payable in one lump sum at final maturity. Repayment commission rate. on the new loan starts after the sixth year, giving an average life of

soint less for two years in return the income they can earn deploying that higher fee in other business in international trade and are un-mitted. The committed portion has

just about equals what they give up able to carn the hard currency to a maturity of five years and carries Lower Hopes

by cutting the margin. The apparent Soviet strategy is turned to the international credit aimed at getting lenders accust the OECD said, these countries will will yield a margin of 5 basis points market last week with an artfully tomed to the lower interest rate have to choose between allowing over Libor plus a unitization fee of 5 constructed loan that established a without asking them to accept an foreign borrowing to rise to levels

INTERNATIONAL CREDIT

presumably will come in the next operation, when the most visible rate at 1/4 point over the London part, the 1/4 point margin over Li- some bankers report that their apbor, will have been established as petite for new business is diminish

> At the same time, Vneshtorg is aimed to provide short-term trade

Vneshtorg will pay the banks an annual facility fee of 10 basis points on the full amount, irrespective of whether any drawings are made. Banks participating in the facility are to be invited to propose borrowing terms through a tender panel but are committed to providing cash at a maximum cost of 15 and Swiss Bank Corp. to market up basis points over the acceptance to \$300 million of Eurocommercial

Last week, the Organization for Economic Cooperation and Devel- pointed Chase Manhattan to aropment reported that the Soviet This means the banks earn 1/2 Union, like its East European algram for up to \$100 million. The pant less for two years in return lies, would be forced to borrow paper will have maturities of one, increasingly on the international basis points. Bankers calculate that market to finance Western imports because all are losing market share sections, committed and uncom-

chemical company, at 83 basis points over the U.S. Treasury yield

curve. In all, the company raised

priced to yield 103 basis points over

Those spreads, large as they

tutional investors were afraid that

the secondary market would not be

pay for imports.

Unless this trend can be arrested, new low rate of interest without actual reduction in charges. That that neither the countries themselves nor their lenders may find acceptable or sacrificing goals of growth and investment by cutting

Western imports. In the commercial paper market,

"You get to a certain level," one seeking to increase the £150 million dealer said, "where in order to take bankers' acceptance facility estab- on new business you have got to lished last September. Banks are take on additional staff." But the being asked to commit for an addi- current level of profitability martional £100 million, all of which is ketting such paper is not sufficient to justify that expansion, he said.

Nevertheless, there is general agreement that investor appetite continues to grow.

The latest entrant into the market is Philips NV of the Netherlands, making its first foray into this segment of the credit market. It has appointed Bankers Trust, Citicorp, Credit Suisse First Boston

range a certificate of deposit prothree and six months.

Kyowa Bank Ltd. of Japan ap-

The facility is divided into two

line with the yield on the compa-

ny's existing three-year issue. But

when the new issue hit the market

the outstanding paper dropped in price to yield 28 basis points over

the curve and the price of the new

Nevertheless, lead manager

GMAC priced its \$300 million of

three-year notes at 48 basis points

over the Treasury curve, but bank-

ers said another 10 basis points was

needed to be attractive. This issue

also traded outside the fees paid to

The least well-received of the

IBM Credit Corp. and General as far too low. Offered at 101% ents are put off by year yields below

ed to fill the market's desire for the notes ended down 24 points - backlog of unsold paper and a

underwriters.

Swiss Bank Corp. said it saw good demand from Switzerland and the

issue dropped to the same level.

an annual facility fee of 5 basis points. Drawings under this facility will yield a margin of 5 basis points

For Rate Cut basis points if more than half the amount is used. Under the uncommitted facility,

Kyowa may request a tender panel banks to bid for CDs. Each tender panel member also has the right to present direct bids to and leading economic indicators. Den Danske Bank of Denmark

appointed Salomon Brothers to market up to \$200 million of shortand medium-term CDs. The Italian savings bank Cassa markets on Friday, as the unem di Risparmio di Roma is seeking to

raise \$100 million through the sale of CDs. It has named Chase and Swiss Bank Corp. as dealers. In the sterling market, Industrial

Bank of Japan's London branch ary, the same as in January and said it is establishing a CD issuance December. In addition, the rise in program for up to £200 million. Rank Organization appointed double most predictions, and the County NatWest, Samuel Montagu factory workweek rose to 41.2

and Swiss Bank Corp. to market up hours, its highest level in more than to £100 million of CP.

20 years. Earlier in the week, optimism on In the syndicated loan market, Chase Manhattan reported that rerates had been buoyed by reports negotiation of Sweden's standby of a 4 percent decline in factory facility was completed last week orders and a 1 percent drop in the with 46 banks agreeing to lower terms on a smaller amount. The tors in February. quick oversubscription of this renegotiation may calm talk of an im-pending hardening of bank loan charges that was triggered by the resistance Electricité de France ran into renegotiating its \$1 billion fa-

pensive and too short.

U.S. bank, but despite terms that

professionals regarded as generous

it failed to attract much support.

Marine Midland set a coupon of 25

basis points over the three-month

London interbank offered rate and

paid underwriting fees of 75 basis

points. But the paper ended the week trading at a discount equal to

Both the DM and yen sectors

5 percent, leaving banks with a

the fees, that is down ¾ point.

obliged to sell stock.

index of leading economic indica-But Theodore Tung, an economist at the National City Bank of Cleveland, said: "The workweek

and factory employment statistics indicate that improved industrial production figures will be reported next Friday, which would make an easing of interest rates by the Fed less likely."

On Friday, the bellwether 74 percent Treasury bond due in 2016 opened at 99 31/32, down from 100 20/32 on Thursday. It closed at 99 Also well-received was the \$100 notes were priced to yield 20 basis \$500 at a fixed exchange rate of 28/32, for a yield of 7.51 percent, points over the Treasury curve, in 1.79 DM were considered too exwhile the 74 percent issue due in 1996 ended at 100 9/32, off 18/32 The floating rate note sector saw to yield 7.20 percent. its second issue of the year from a

Among shorter securities, the Treasury's new two- and five-year issues were offered at prices slightly higher than the averages set at the previous week's auctions. The 644 percent two-year issue fell 5/32, to 99 24/32, to yield 6.39 percent, while the 6% percent, five-year issue was at 99 12/32, off 11/32, to yield 6.76 percent.

Among Treasury bills, the three-These are capital notes, meaning month bill rate rose to 5.65 percent while the six-month bill advanced paid in Marine Midland stock or cash. But to pay in cash the bank is

U.S. Consumer	Rates
	March 6
Postbook Savings	5.50 %
Tox Exempt Bonds Bond Boyer 28-Bond Index	6.54 %
Money Market Funds Demoglog's 7-Day Average	5.48 %
Bank Money Marinet Accounts Bank Rate Monitor Index	5.43 %
Home Morigage, FitLB average	9.84 %
Source : New York Times.	

EUROBONDS: Selective Demand for U.S. and Canadian Dollar Issues

(Continued from first finance page) General Electric Credit Corp., Mc. million of five-year paper marketed Donald's Corp. and Monte Dei by Hoechst, the West German Paschi di Siena, the Italian banking

While bankers said there was increasing interest in Canadian dollar paper they admitted it was not cal concern. But its \$300 million of going into the new issues offered last week. The first zero-coupon basis points over the Treasury rate, and its \$100 million, 10-year bonds, Canada Zero, was packaged by CIBC Ltd. The Canadian bank the curve, did not go over well. used Canadian government bonds stripped of interest payments to market 14-year bonds priced at 300 were, simply were not enough to dollars that will be redeemed at overcome investor reluctance to 1,000 dollars. The capital gain at commit their funds for more than repayment is equivalent to an an-five years. The 10-year issue had nual rate of interest of 9.31 percent another drawback, its relatively -a level most analysts regarded as small size. Bankers said that insti-

As for the U.S. dollar sector, only two issues drew a favorable liquid. response. Saab-Scania sold \$150 million of five-year notes at a price Motors Acceptance Corp. attempt- bearing a coupon of 71/4 percent, of 101% bearing a coupon of 7% percent. At the offering, and less short-dated paper, but the terms well outside the underwriting fees growing pile of unprofitable curthe full underwriting fees of 1% offered were considered skimpy, of 1% points. The two-year curren-rency swaps that ultimately will percent, the paper for the Swedish IBM's \$300 million of three-year cy warrants, priced at \$45, to buy choke the flow of new issues. aircraft and automobile manufac turer yielded 94 basis points, or 0.94 percent, over the yield on comparably dated U.S. government pa-

Although the company's debt i not rated, the margin over the U.S. Treasury vield was considered gen erous for a household name that investors regard highly.

Exxon Finds Some Bonds Are Forged

NEW YORK -- Exxon Corp. has uncovered forgeries of zero-coupon notes issued by Exxon Capital Corp. in the Eurodollar

Exxon, the world's No. 1 oil company and second largest indus-trial company, said about 1,900 notes with an aggregate face value of \$19 million and a market value of about \$4 million have been identified as forgeries. The notes are due Nov. 15, 2004.

An Exxon spokesman said Fri day that the forged notes are bearer securities, meaning the person in possession is assumed to be the

Most of the legitimate notes are recorded in book-entry form but investors should be warned that the forgeries are circulating and to have any such notes they hold authenticated, Exxon said.

It said the forgeries are being investigated by Morgan Guaranty Trust Co., the paying agent for the issues; Euro-Clear and Cedel, the two major European securities clearing systems, and police in London and Brussels.

Exxon said Euro-Clear "has examined to its satisfaction all notes physically" at its Morgan Guaranty depositary in London and "is oursuing the examination for authenticity of new deposits of these notes as they enter the Enro-Clear

Exxon said Cedel was reviewing all the notes within its system. At Exxon's direction, Morgan Guaranty is ready to validate any notes in order to establish their authenticity.

LT.O.A.2.D BETTELES	C. (1) 01	ZMOTTA
	BID	ASK
Bitter Corp.	314	3%
Chiron	2934	301/4
GoodMark Foods	151/4	1534
MAG Holdings	5	. 5%
NAV-AIR	24	246

WITH COMPLIMENTS OF CONTINENTAL AMERICAN icative prices as of Mor. 5, 199

Spectrodyne

Market-Minded Investment Strategies Nikko Securities

dollar issues was Fiat Finance & were abandoned by international Trade's. The four-year notes were investors, leaving only domestic cli-

offered to yield 65 basis points over ents buying such paper. But Japa-

the U.S. Treasury yield - regarded nese bankers say even domestic cli-

Announces Expansion of Its European Network

New Representative Offices in Milan and Madrid

Our new representative offices in Milan and Madrid will initiate operations on March 9, 1987 to provide added services to international clients. With the opening of representative offices in these two cities, Nikko's international network rises to a total of 21 locations.

While our association with clients in Milan and Madrid already has a considerable history behind it, the opening of our new representative offices marks a new chapter in our commitment to better serving clients in these important markets.

The expansion of our network brings Nikko's expertise and resources even closer to clients. Few others can match our broad-ranging capabilities in research, for example, and our market-minded perspective has made us one of the leading capital market traders and investment banks worldwide.

We are continuing to build an around-the-clock trading capability with seats on the Tokyo, London, New York, and other major securities and futures exchanges. Backed by Nikko's network, comprehensive services, and professionals around the world, our new locations in Milan and Madrid will play an increasingly important role in providing responsive international services.

Nikko Securities

Milan Representative Office: Chief Representatives-Kazue Mayuzumi, Yoshiaki Ezura Via Conservatorio 22-20122, Milan, Italy Tel: 02-77291 Telex: 333840 Madrid Representative Office: Chief Representative-Yuichi Takabatake Paseo de la Castellana, 31, Madrid, Spain

TOKYO LONDON ZURICH GENEVA FRANKFURT LUXEMBOURG PARIS COPENHAGEN BAHRAIN NEW YORK SAN FRANCISCO LOS ANGELES CHICAGO TORONTO HONG KONG SINGAPORE SYDNEY SEOUL BEITING QINGDAO

NASDAQ National Market

.10e 1.1 .06e .4

Save up to or more off your newsstand price when you subscribe for 12 months to the International Herald Tribune

Country	Currency	12 months	6 months (+ 1 month	3 months (+2 weeks	Subscription price	Newsstand price	Your S	avings
Country	Cunany	FREE)	FREE)	FREE)	per copy**	per copy	per copy**	Total
Austria	A. Sch.	4,800	2,600	1,450	13.20	22	A. Sch. 9	A. Sch. 3,276
Belgium	B.Fr.	10,700	5,800	3,200	29	50	B.Fr. 21	B.Fr. 7,644
Denmark	D.Kr.	2,300	1,250	690	6.30	10	D.Kr. 3.7	D.Kr. 1,347
Finland*	F.M.	1,630	880	490	4.50	8	FML 35	F.M. 1,274
France	FF.	1,400	760	420	3.85	7	F.F. 3.15	F.F. 1,147
Germany*	D.M.	560	300	170	1.55	27	D.M. 1.15	D.ML 419
Gr. Britain	£	120	65	36	0.33	0.55	£ 0.22	£ 80
Greece	Dr.	20,000	11,000	6,000	55	100	Dr. 45	Dr. 16,380
Ireland	EIrl.	140	77	42	0.38	0.70	£1hl 0.32	£HL 116
Italy	Lire	350,000	190,000	106,000	960	1,800	Lire 840	Lire 305,760
Luxembourg	LFr.	10,700	5,800	3,200	29	50	L.Fr. 21	L.Fr. 7,644
Netherlands	FL	634	340	190	1.75	3	FL 1.25	FL 455
Norway*	N.Kr.	1,650	900	500	4.50	8	N.Kr. 3.50	N.Kr. 1,274
Portugal	Esc.	19,000	10,400	5,700	52	125	Esc. 73	Esc. 26,572
Spain*	Ptas.	26,500	14,600	8,000	73	135	Ptas. 62	Ptas. 22,568
Sweden*	S.Kr.	1,700	920	520	4.70	8	S.Kr. 3.30	S.Kr. 1,200
Switzerland	S.Fr.	490	270	148	1.35	2.50	S.Fr. 1.15	S.Fr. 418
Rest of Europe N. & French Africa, Middle East		400	220	120	1.19	Varies by country	\$ 0.89	
Rest of Africa Gulf States, Asia	s	550	300	165	1.64	Varies by country	\$ 1.51	

* In these countries, hand delivery is available in major cities on publication date. For details and rates, please check here and fill in your address below. 🗆

**Based on a one-year subscription

You save more if you subscribe before April 1,1987. Just fill out the coupon and mail it today to get more savings plus convenient delivery, 6 days

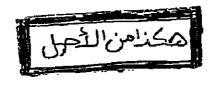
per week.

To: Subscription Mana Charles-de-Gaulle, 92: Please enter my	ger, International Heraldi 521 Neuilly Cedex,France subscription for:	Tribune, 181, Avenue 1.Tel.: (1)46:379361.Tix.:	612832.
12 months (+2 m	onits) 6 months (+1	free 3 months	(+2 weeks) CENTENNING
My check is end	osed. Please	charge my credit card	account:
Access Cores	American Profit Strang Cub	ELE	Market Visco
Card account number] .
Cordespirydate		Signature	
Name			
Address			<u> </u>
City/Country			
Tel/Telex		. <u> </u>	9-3-87

Treasury Bonds

International Bond Prices

5 24 114 S4 164 +1%			
SK 258 114 8% 10% +1% SAY Ind 328 54 8 84		Yld Cur i	EDF 6% 95 112 499 414
	Yid Cur Issuer Con Met Price Mat Yid	leaser Con Mot Price Mot Yld	EDF 5% % 103% 5.29 5.4
SCORU 2005 15% 14% 15 + 4	123067		
CE 22424 AT 4	(Continued)	794 92 99 7,57 7,70	Eurofimo 644 92 105 5.44 6.71 Eurofimo 544 93 10474 4.84 6.49
SPE 370 474 474 474 77 77	BFCE 994 92 10876 7.50 8.76	R Revnolds 8% 91 103% 7.56 8.30	Eurofisio 6th 93 105% 5.41 625
SEF AB 1.19e 21 394 56% 56% 56% 120	BFCE 8% 93 102% 6.18 6.45 BFCE 9% 95 108 6.44 9.14	Rabobank NI 9% 95 195% 8.36 7.07	Eurofima 796 94 10796 449 449
SKI 456 4 436 14 13 134 + 34 SPI Ph 44 3 887 21 19 22 +2	8 N P 7M 93 97/2 7.42 7.33	S A E 9 95 105% 8.10 ES	Eurolime 692 95 10692 5.51 6.K Finland 514 97 1674 4.41 5.28
SPIPh 26 3 88/21 17 22 Th	BNP 776 93 101 7.66 7.89	EEV 584 93 107 629 654.	Finished 5% 91 105 4.29 5.46
ľ	BNP 875 95 104V2 8.71 8.47 Bnooth Finance 74 93 94 8.51 7.71	SHC1 9 95 105% 211 635	Ford Motor 6% 97 185% 4.22 6.26
	Boom Finance 7/4 13 54 8.51 7.71 Bayerische Ver 8/4 88 195% 7.84 8.51	SORTIO ILIN	GEC 5% 73 104% 485 5.50
d ar	Bco Di Roma 814 93 167 8.03 8.17	Sumitorno 514 92 10404 7.78 8.37	Gent Motors Co 574 97 104 449 5.5. GASAC 692 98 105% 430 4.70
Euromarts	CCCE 7/4 92 99% 7.54 7.52	Sumitomo Fin 9 93 105% 7,97 8.56	GMAC 5% 91 102% 4.71 5.26
TEAT OFFICE ON	CCE 014 05 164 123 1273	Compliances Code 1966 127 1986 1.75 1.71 1	Goodyear 6N 94 101% 6.06 6.96 Goodyear 7/6 95 185% 6.20 6.74
At a Glance	CIR Int #4 94 98 8.52 8.29	Sweden 692 96 929 7.64 7.03 U.S. Norwey 9 95 1834 2.44 8.72	Goodyear 7% 95 185% 620 6,74 Goodyear 6% % 104% 5,97 6,25
	CNTTruA 9% 92 108% 7.61 8.97	Victorio PA 5% 90 104/2 7.44 8.47	I B AL 574 9) 100% 444 545
	[] N N N N N N N N N	Wall Disney 574 14. 107% 8.02 E-C-1	Holy 514 92 10394 4.61 5.16
	Colordo Delmal 8 N 16374 7.45 7.86		ITT Corp 64 92 1094 449 415 MMM 54 91 1864 457 551
Europead Yleids	Crivennels 64 92 95% 7,58 6,78	World St. 916 92 197% 7.64 8.83	M.M.M. 5% 91 104% 4.57 5.51 McDonolds 8% 92 188% 4.52 5.91
Merch 4 Feb. 25	Credit Mon and 73 155	World Bt 396 93 105% 7.51 8.20	Montreol City . 6th . 95 TWH: -5.15 - 6.20
ma	Creditoristoff 87s 94 10594 7.93 8.43 Doi-lots 76s 97 9994 7.94 7.92	World Bk 8 10% 94 109 8.94 9.75	Morgan JP + 94 105% 5.03 5.69
TT FIRE MINISTER	Denmark 7% 92 100% 7.58 7.79	World Sk 5½ 95 185% 7.64 8.95 World Sk 7% 97 105% 7.63 7.69	NIS 6 91 16695 432 544 NIS 7 92 11295 436 434
public lessors, 6 yrs & over 8.17 8.16 Industrials, 8 yrs & over 8.22 8.17	Denmark 7% 94 99% 7.89 7.86 Denmark 7% 96 77% 7.96 7.79		NIB 574 95 1001/4 5.11 5.55
Indestruit 5 to 7 yes 8.25 8.26	Denmork 7% 96 77% 7.96 7.79 ECSTron A 10% 29 106% 7.54 10.13	Yen Straights	New Brungsidek 71/2 95 112 530 AJK
December of serification 5 to 7 yrs 70.24 10.24	ECS 6 97 10176 7,72 2.85	TON OR GIÊNIO	New Zeolond 7% 87 107% 4.25 7.06 New Zeolond 7% 70 110% 4.18 4.47
Greech treacy, less than 5 yrs 9,29 9,29	EDC 64 % 71/2 7.73 477	ADB 7% N 113% 500 649	New Zaciond 51/2 91 107% 4.57 5.25
SCULA YES & OVER 6.25 8.25	EDF 94 95 1874 8.26 9.05 EDF 9 97 1859 8.13 8.50	A 1 D C - 6 96 19594 524 524 5	NIPPOR TET 574 43 19514 430 54
5 to 7 yrs 8.64 8.64	EGP 7% 95 14% 7.51 7.52	Althor Corp #4 97 705% 5.48 6.42	Nippon T&T 5% 96 185% &18 5.5 Nord Landenby 50 91 1090 446 53
Con. 5, 5 to 7 tris 9.26 9.21	EEC 736 91 100% 7.32 7.37	Allied Styrict 64, 93 1874, 5.17 6.26 Armes 574, 91 105 4.43 5.48	Nord Londesbk - 612 93 10912 444 5.9 Norway 514 91 19396 4.47 5.11
Mary 20 La	EEC 772 92 10096 7.47 7.49 EEC 876 93 105 7.87 8.45	Artsex 514 97 105 4.43 5.48 Austrolia 593 97 10394 4.51 \$30	Poc Gos .7 M 118% 526 63
17 2 16 16 16 16 17 17 17 17 17 17 17 17 17 17 17 17 17	74 94 989 7.44 7.49	Austria 7 95 112% 5.02 6.20	PRODEFUG 64 72 1074 A A
Yeo, 2 yrs 2 ever 5.65 5.67 5.67 5.67 5.67 5.67 5.67	EEC 778 74 7776 422 422	Austria A. 5% % 103% 5.20 5.45 BFCE 5% % 182% 534 5.59	Philip Morris Sty 97 1874 424 ASP Postiposid 5th 91 1874 431 450
Source: Luxemboury Stock Exchange.		Bercians Overs 6 % 104% 534 5.73	Postipenki 5% 13 1954: 425 5A
Source: Lesagracour y States Lacianism	Z N 76 94 99% 7.67 7.65	Boyer Landestik 575 - 91 105 - 4.51 5.60	Postlponki 4% % 1899 523 48
Weekly Sales March 6		Boyer Vereinsb 5% 91 1044 445 5.61 Secur Finance 4 92 105% 4,53 5.69	Proct & Gamble 6 91 195% 449 5.6 Proct & Gamble 6% 92 3076 4-6 4.8
A GOOD	517 A-Johns 894 85 10114 7.55 6.27	Briffish Petrol 7 72 11194 4.44 4.29	Proof & Gamble 5% 93 105 . 484 &4
Principy Market Codes Euroclose	Eurotem 7% % 974 7.79 7.5	CN T 444 92 108 4.57 5.77 Con Nett Reliw 692 96 10836 5.21 6.00	Queboc Hydro 6% 54 T894 4.77 6.9
Came Encount	Eurofilmo 7% 94 100 7.42 7.62 Eurofilmo 7% 94 100 8.65 6.60	Can Noti Reilly 61/2 % 198% 5.21 6.00 Canado 61/4 97 106% 4.27 5.75	SEK 4 91 705 437 54 BEK 440 96 17094 530 5.9
Straights 151,60 1,044,40 2,342,80 2,554,80	Charles Tours St. on 10014 7.86 8.56	Comada - 5% 93 104% 434 5.27	S.E.K. 494 91 104 574 44
Convert. 56.70 187.40 133.80 665.00	Flot Fin Trade 8 91 100% 7.70 7.54	Consulian Pock 6% 96 170% 527 4.12	Solile Mos 616 92 10916 446 4.6
ED No. 18400 1845 549.00 1	Ford Canada 5th 93 18492 7.96 8.47	Coca Colo 5% 96 70374 5.29 5.57 Council Europe 6 96 105% 5.19 5.67	Secre 5% 91 119% 437 42 Sweden 5% 91 187% 451 5.7
COS ALAS 51.36 40/239 42/9	Citiales 7th 93 10674 7.31 7.40	Cradit Foncier 67: 14 10174 5.09 5.92	Sweden 516 91 1846 441 52
Total 1,680.50 1,294.19 7,039.10 3,460.50	IADB 10 93 1174 7.51 8.95	Credit Nati 5% 92 102 4.66 5.02 Denmork Pab 5% 92 161% 4.84 5.07	Sweden 516 94 102 4.90 5.1 Sweden 516 95 18376 5.85 5.4
Secondary Market	18 M EV 90 1834 7.12 7.99	December 2 Jun 574 72 10114 434 504	Sweden 6 76 106% 514 56
Cedel Eurociear	LTCB 74 93 1011/2 7.35 7.44	Denmark 494 92 10946 4,48 4.16	TRWine . 7 % 1966 420 64
5 Mars 5 Monts	MOI 96 91 102 ' 231 9,44	Denmark Mts Sk 7 92 1111/1 4.54 6.36 Denmark 5% 93 1051/4 4.88 5.58	Utd Tech 676 92 10996 442 60 Walt Disney 646 96 10894 536 60
Strolekts 7,305.40 7,467.60 12,101.90 11,235.60 Comment #21.90 185.50 1,375.50 538.50	Mochine Bull 9% 92 103 6.42 8.84 Mass & Hope Sk. 9 92 193% 8.09 8.67	Denmark 6% % 10012 5.16 5.86	World Bk
Convert. 621.90 165.50 1,141.50 338.50 FRNs 3508,30 809.50 15,462.10 2,719.70	Manual Finance 10% 95 167% 8.85 9.45	Daw Chem 7 94 18492 624 679	World Bk 7% 97 115% 4.85 &d
ECP 1,744,70 197,79 2,680,70 26.20	Messili Lynch 7 90 96% 7.47 7.17		World Bk 44 111 4.89 55 World Bk 7 94 11294 4.84 6.2
Total 13,365.30 6,462.30 31,426.25 14,826.80	MICHAEL ST. 1000 7.40 LS	EDF 54 91 1046 442 548 EDF 56 94 10136 489 556	World Bk 5% 96 104,900 5.00 5.0
Source: Euroclear, Cedel.	Morgan Gly 814 90 163 7.44 8.25		World Bk 692 96 110 5.05 5.1
		Certain biferings of securities, linearcial	and the second of the second
Liber Bates March 6	Mari Consider 747 M 754 7.42 7.5	pervices or inserests in Ford estate problement	The state of the s
1-month 3-month 6-month	Necto 9 95 104% 8.20 8.50	is this newspaper are not authorized in	Listing above does not include floating rate hales or convertibles.
U.S.5 63/16 696 696	New Zactood 914 90 105 -7.44 8.51	germin parisdictions in which the Interna- tional Herald Tribune is distributed in	Conson or ice and yield are expressed in par
Destruction mark 4 41/16 41/16	New Zeeland 91/2 92 18614 8.05 7.84		Cont.
Pegas starting 11 1/16 1016 1016	Meson States 74 44 974 7.52 7.7	do not constituit offerings of accurities.	differential between visites make it
Presch Franc 8 1/16 874 8 3/16	OLBX/W 9 89 1624 7.53 1.75	services or misseuth in these mostlemen. I	For deliar-debassinated leaves. Sed/Tray is differential between yield to materity of band and yield ad U.S. Tractury's issues with in SOME modurity. Impressed in tooks and
ECU 75/16 75/16 75/16	Portel Fin St. 29 10110 731 435	. 1 The Intertiational Hetald Tribune statutes 1	Some maturity, expressed in basis points. Prices and yields are all on a bid basis, Pp. private placement.
Yes 413/16 47/16 44	Partition 104 754 85	00 umboomoral American and sover-	Pp: private piocement.
Source: Morgan Guaranty, Lloyds Bonk,	Children Conformance Blds 64 18074s 8.23		
Construct the past open will make a paint	Phillip Marrie 714 90 6914 7.55 7.5	[]	X/W: 02 WOTTERS.



New York Times Service

ments Feb. 20 on \$68 billion owed

Jerzy Urban, the Polish govern-

ment spokesman, declared that Po-

land could understand Brazil's

frustrations and actions and that

tive trade and credit restrictions.

and the World Bank, said that he

than sympathy. His government,

which was readmitted to IMF

membership last June after it quit

36 years ago, is eager for a long-term program of IMF credits to

stabilize an economy that is sad-

dled with huge debt, low export

earnings, deteriorating factories

Before the readmission was

But those measures are not ex-

government economists expect the

IMF to require major adjustments

(Continued from first finance page)

partment indicated that, in a subse-

likely be found anti-competitive.

quent full review, a takeover would

USAir said in a statement late

Friday that TWA's takeover effort

is in direct violation of the Federal

Aviation Act." It added. "TWA's

actions make a mockery of the reg-

ulatory process and amount to one

more example of a corporate raider

flouting the law by abusing the gov-

ernmental process for personal

prices, devalued its currency and

and an uninspired work force.

curbed some subsidies.

before loans are offered.

pend debt service payments.

World Bank.

to commercial banks.

BELL:

farmers, su

rs. \$ 150 is secking

diment to it

ger And Me

win the au

inal spending

ignored these

n Mr. Rea

istration offi.

en pare eres

Ent Por than

ad they would

orth the vigor

to imparing

said a former

Reagan White

38 A03,1 1

PATE THE TABLE

attached such

t issues that he

coursel Petr

e of a group to

articularly in

g a budget as

ம். ப்பட்டிய

21's assets and

ermment does

capital budget

miger showing

capital budge

. 20uf :29e (edg

ig the admiris

TOWN PINT BIOL

is recording the

onder a cortal

orth

ands

d solely for his

Is crucial Day

hen the transfer

ss had pared

ilitary assistant

used the Lake Ro

a charter plant

· weapon to to

क्ष्में 🗆 व स्टब्स्

ಹಿಟ್ಟು ಸಮಾಗ್ಟ್

I provide attenti

chief letter

tid, a tribute E

静野 かっぱっと

ace that apparen-

Service States and

ikend Nemaka

475 A. C. S.

300 A 177 2

de lestes

services on

familia wil mil

tion of the Table

ಜನ್ ಚಾಲಿಯ Nobel Roberts t enter i W. Neis La Contra Nita 3042-1-1004

20.00

will a remove :

Dec.

propess)

ODSTATION .

1 ps/.5"

whom have

Getting to Market

(Continued from first finance page) ink the labs have a wonderful opportunity. But with the door open to them to impact the market-place, we're really not seeing

Mr. Goldman sees a parallel between AT&T today and Xerox in the 1970s. Mr. Goldman was instrumental in founding Xerox's Palo Alto Research Center, perhaps the most creative computer. search laboratory of the 1970s.

The center did pioneering research into personal computers, laser printing and data communica-tions, which are now multibilliondollar markets

Yet Xerox never quite succeeded in capitalizing on its technologies, ccause of conflicting corporate priorities and the burdens of "technology transfer," the process of getting a technology off the workbench and into the field.

Venture capitalists, entreprenears and aggressive younger com-panies brought the research center's concepts to market "Everyone underestimates how

difficult technology transfer is at a large company," Mr. Goldman said. "I did then and Bell Labs is

Neither AT&T nor Bell Labs sees it quite that way. AT&T's president, Robert Allen. said, "Two been very pleased by the Bell Labs responsiveness to the ew environment. It's responded

better than I expected. "But that doesn't mean they're perfect. That doesn't mean that they've done enough."

Bell Labs executive vice president, Sol Buchsbaum, said, "Fair people would conclude that we have done a very good job, but Pd be the first to say we still have a long way to go."

Mr. Allen said he would grade the Bell Labs efforts at technology transfer a "solid R."

But Mr. Bell of the National Science Foundation said, "I call that grade inflation. I'd have a hard time giving them a B. Besides this is really a pass-fail marketplace," phere the only grades are pass or

Bell Labs is still adjusting to that is by encouraging the designers to marketplace. Regulatory restric-tions following the breakup pre-through to production and sales. vented researchers and development-people in different parts of some cases to let the designer keep the company from communicating with each other. Similarly, hundreds of people left the labs after divestiture to join BellCore, the research arm of the seven regional Bell operating companies.

talk with each other sewed the seeds of some problems," said John Mayo, executive vice president of Labs employees acknowledge, is noted, "Bell Labs is more of an Network Systems at Bell Labs. He that, for the most part, people do asset to the general scientific comsaid that those problems were grad- not join Bell Labs to create market-



Nobel prize winners: John Bardeen, left, William Shockley and Walter H. Brattain at Bell Laboratories in 1948.

ually disappearing as regulatory AT&T and Bell Labs say they

are working aggressively together to bring ideas to market far more rapidly and cost effectively.

"We realize that we work for a

company that isn't a monopoly and that we don't have the hixury of time we once did," Mr. Buchsbaum said. "We're working to reduce the product development cycle. We used to do things in a serial process; we have to telescope things into a much shorter time frame."

AT&T now encourages the labs to work with AT&T's marketing and manufacturing people.

"I think this management system is getting progressively better," said Wayne Weeks, president of AT&T Network Systems. "The development groups are better integrated into the business planning groups. But clearly the biggest problem we have is the product realization process: We are not conceiving, designing, developing and introducing products nearly as fast as I'd like."

One way AT&T and the Labs have tried to accelerate the process

"We've tried very successfully in some sense of ownership," Mr. Weeks said. "But some of the experiments we have been trying have failed I wouldn't kid you about

The transfer from the laboratory "The several years we couldn't to the factory floor "remains the single biggest bottleneck," he said. One reason, both AT&T and Bell able technologies, they join to cre-

Mr. Goldstein said. "You have to ask what traits of the old culture need to be changed. Speed of response is clearly one area; arrogance — these are things that are very difficult to change because they're part of what made Bell Labs

"My doubts go to management and culture rather than technology and product," he said. "The measure of success is not the number of patents, it's in the marketplace."

Mr. Buchsbaum and other Bell Labs managers insist that a new Bell Labs is emerging that will give AT&T quality research and inno-

Mr. Mayo of Bell Network Systems predicted that Bell Labs developments in fiber optics, software and high-speed data communications would create a product "revolution" for AT&T.

Mr. Allen, AT&T's president. expects nothing less. "The marketplace is going to change very dramatically over the next five years, just as it has over the last five years," he said.

The research and development budget line "will be a function of success in the marketplace and what is competitively required," he said. "We will try to reduce the percentage of cost that relates to R and D." The Bell Labs budget this year is \$2.5 billion.

Mr. Allen added: "We're placing a hell of a lot of effort in the labs and we're expecting a hell of a lot

But until those expectations are met. Paine Webber's Mr. Grubman Matthew V. Scocozza, the assisnoted. "Bell Labs is more of an tant transportation secretary for policy and international affairs, said the Transportation Depart-

By Michael T. Kaufman WARSAW - The Polish gov-

ernment gave a nod of sympathy many related economic problems. last week to Brazil but choked back Western countries and banks. The credits from Washington. any impulse to follow suit and sus-

yearly interest runs to about \$3 Instead, the Poles are pinning billion, while the country's ability remaining economic sanctions their hopes for economic relief on to pay, that is, hard currency earntough discussions with the Interna- ings minus the cost of imports, runs ing tariffs on the importation of zloty against foreign currencies, tional Monetary Fund and the to \$1.5 billion to \$2 billion. This some Polish goods and enabling Brazil suspended interest pay-

here are concentrating on the debt restore Polish creditworthiness at a ment was committed to paring the burden as the most pressing of time when the removal of U.S. sanctions offers some renewed Poland owes about \$35 billion to hope of investments and export

President Ronald Reagan lifted

In anticipation of the tough conditions the IMF will be seeking, economic planners are discussing reform and austerity measures.

Poland Makes All the Right Noises for IMF Relief

Poland would be even more justified than Brazil in taking the same means that even with no new bor- Poland to seek loans from U.S. course because its economy had rowing the total debt continues to

been damaged by five years of Western sanctions with their puni-The recent decline in the value of the dollar has also boosted Polish But Mr. Urban emphasized that debt, since much of it is denominat-Poland would continue to honor all ed in currencies other than the

Wladyslaw Baka, the head of the Polish economists are aware that their government stands the best cussing reform and austerity mea-Polish National Bank, who has just completed preliminary talks with chance of obtaining medium-term the International Monetary Fund IMF relief if it meets its interest payments as rescheduled by the sofound a good deal of understandcalled Paris Club of its creditors ing for Poland's difficult economic revised schedules unless it receives But Mr. Baka is seeking more

> Last June Western bankers and Polish officials agreed to reschedule \$1.62 billion in principal due in 1986 and 1987 to commercial panks. It was the second time that the debt, which is owed to around 600 Western banks, had been re-

One European diplomat who monitors Poland's economy noted granted, Poland raised some food that "in the matter of debt repayment as with so many other aspects of the Polish economy, what seems to be necessary often appears impected to satisfy the IMF. Polish

 $\mathbf{WA:}$ Airline Says New Proposal Will Meet Guidelines

to gain a majority of stock while

Mr. Icahn has threatened to

Meanwhile, industry sources

said that Edward I. Colodny, the

chairman and president of USAir,

had been seeking to build his de-

Colodny had talked with a senior air carriers.

make an offer directly to stock-

awaiting regulatory approval.

\$52 a share.

method allows a potential acquirer tional carrier.

ment would continue to consider management official at Pan Ameri-

TWA's request for approval of its can World Airways about whether purchase of USAir stock through the two could combine. Pan Am,

an independent voting trust. This like TWA, is primarily an interna-

holders for up to 51 percent of over of Piedmont Aviation Inc. for

USAir's shares if the company's \$1.65 billion in cash and stock. Mr.

board refuses to accept his offer of Icahn made his surprise offer on

fenses, with one source saying Mr. sider a merger involving all three

layed.

Under the sanctions, Poland had lost its most-favored-nation status, which allows imports to enter the United States at low tariffs.

In anticipation of the tough conditions the IMF will be seeking, Polish economic planners are dis-

"They are saying all the right things about eliminating subsidies, holding the line on wages, raising last June. But it cannot meet the prices and liquidating failed enterprises," a Western diplomat said. However, he added, "There is a real gap here between conceptualization and implementation.

Last week Mr. Urban insisted that the government was intent on putting into effect any recomme ed IMF policies and noted that some measures had already been

Several score companies have been put on alert and three have actually been liquidated," Mr. Urban said.

Some independent economists said that if Western standards of efficiency were to be used to detercossible."

mine solvency, a significant perAdhering to revised schedules centage of Polish companies would

David Shipley, a spokesman for

USAir has said TWA's bid is an

Wednesday when Piedmont's

board was meeting to decide on the

USAir offer, a decision it then de-

Mr. Icahn has said he might con-

attempt to interfere with its take-

for debt repayment is viewed by be forced to close.

At the moment, most economists economists here as the only way to Mr. Urban said that the governsubsidies paid to industries and

> consumers He said that in the current annual plan subsidies were being kept on the same level as they were last year but that disbursements, following a marked devaluation of the had effectively dropped by 15 per-

"In such ways, gradually year after year, the amount of funding will decrease for some goods," Mr.

Urban said. But bedeviling the plans of the economists are the political realities of a country where social upheaval has in the past been pro-

voked by austerity programs. In the past few years, price in-creases have been followed by selective wage increases, usually in the largest factories where he prospect of disruption frightens managers and politicians.

The planners have predicted price rises of about 17 percent this year, covering all areas of economic activity, including housing, trans-portation, heating, fuel, food, cigaretues and alcohol.

The ministers, many of whom are trained economists, have been describing curbs and cuts as the painful but necessary road leading out of crisis. Many hope that an often volatile and long-suffering Polish society will bear further hardships with stoic calm.

Morocco Wins Delay on Debts To Governments

RABAT, Morocco - The Moroccan government's industrialized creditor nations have agreed to delay \$900 million of debt repayments originally due in the next 15 months, Morocco's news agency said Sunday.

The agreement, reached at a meeting Friday with 11 countries of the so-called Paris Club, allows Morocco to postpone over 10 years debts falling due from March 1987 to June 1988. The accord includes a five-year grace period when Morocco will not repay any principal.

Finance Minister Mohamed Berrada told the Paris Club the kingdom needed to reduce its immediate repayments to achieve higher economic

Morocco's difficulties with its \$14 billion foreign debt stem partly from a collapse in prices for phosphate, one of its major exports. Last year, it rescheduled about \$1.8 billion in medium-term loans to commercial

In December, the International Monetary Fund ap-

Wall Street Review

AMEX Most Actives	NYSE Most Actives					
Vol. High Low Lost Chap.	Vol. High Low Last Chap.					
FruilL n 114381 9% 9 9% Wangb 2477 16% 15% 15% - % Tample n 2047 14 11% 17% - % Tample n 2047 14 16% 17% 17% - % Tample n 2047 15% 16% 17% 17% - % Tample n 2048 15% 16% 17% 17% - % Tample n 2048 15% 16% 17% 17% - % Tample n 2048 17% 17% 17% 17% 17% 17% Tample n 2048 17% 17% 17% 17% Tample n 2048 17% 17% Tample n 2048 17% Ta	Philippet 111722 14 27% 13% + % AT&IT 10400 23% 22% 23% + % AT&IT 10400 23% 22% 23% + % AT&IT 10400 23% 22% 23% + % AT&IT 10400 23% 23% 23% 23% 23% AT&IT 10400 23% 23% 23% 23% - % AT&IT 10400 23% 23% 23% 23% - % AT&IT 10400 23% 23% 23% 23% - % AT&IT 10400 23% 23% - % AT&IT					
	NYSE Sales					
AMEX Sales	Sales Vol.					
Sales Vol. Total for week 81,280,000	Total for week 871,350,000 Week 090 874,500,000 Year 000 876,748,000					
Total for week 81.280,000 Week ogo 70,210,000 Year ego 84,570,000 Jan I to date 675,430,000 1986 to date 984,870,800	Year ago					
AMEX Diaries	NYSE Diaries					
This Wk Lest Wk	This Wit Lost Wi					
Advanced 493 404 Declined 298 344 Unchanged 142 154 Tofal issues 933 922 New Highs 125 81 New Lows 20 18	Advanced 1193 896 Declinet 767 1290 Unchanged 220 223 Total Issues 2180 2178 New Highs 325 2178 New Lows 21 19					

INVESTMENTS IN GERMANY

If your investment strategy includes multimarket diversification of sets, West Germany should rank high on your list of priorities. An increasing number of cross-border investors - both institutional and private - are profiting from this market of expanding international

nd more and more investors are benefiting from the sound advice and Linvestment skills of Bayerische Hypotheken- und Wechsel-Bank, Germany's oldest publicly-quoted bank – founded in 1835 – and one of its leading issuing houses. It participates in numerous syndicates, and is a securities dealer on all of Germany's important stock exchanges - trading in both stocks and bonds.

ypo-Bank's research capacity is extensive, and stems from its intimate knowledge of German corporations, especially in dynamic Southern Germany. Expert teams of researchers, securities analysts, economists and portfolio managers pool their long experience and market knowhow to provide domestic and international clients with the finest in performanceoriented investment decision-making.

To find out how you can benefit now from the investment opportunities in West Germany, just contact one of our two specialized teams of professionals:

INSTITUTIONAL INVESTMENT SERVICES PETER STRUBREITER

PORTFOLIO **MANAGEMENT SERVICES** HOLGER DESCH

Tel.: (89) 2366-8558 Tel.: (89) 2366-8614 MODERN BANKING



IN THE FINEST ROYAL TRADITION



Kokusai Securities Co., Ltd.

takes pleasure in announcing the opening of its wholly owned subsidiary company,

Kokusai (Switzerland) Limited

Schützengasse 25

8001 Zürich

on 9th March, 1987.

Telephone: (01) 221 14 40 Telex: 814462 (KOSE CH)

Telefax: (01) 221 23 53

Managing Director: Narutsune Kano

KOKUSAI SECURITIES CO., LTD. TOKYO, JAPAN

Telephone: (03)348-7211 Telex: J24172 (KOKUSAI J)

48 Lion in the sky

Sugar Loaf Mountain

60 Type of type

62 Concerning

tributary

50 Headed for

59 Thin

61 Portal

63 Similar

64 Sicilian

65 Tablets

66 Marched

67 Genuine

DOWN

1 TV series

2 Margarine

4 Group of wildebeests

7 Hence 8 "Let's call it

9 Obelisk, e.g.

10 Not in the dark

5 Gems

6 Pastries

3 Duck or color

<u>ACROSS</u> 1 Gypsy -5 Driving force

10 King or Alda 14 Away from the gusts 15 Late, in Siena 16 Pottery

17 Cauterize 18 Church instrument 19 On the briny 20 Windy-day

advice 23 — Moines 24 Opposite of arr. 25 Astonishes

29 President of Albania 31 Possesses 34 Like Silver's 35 Patton

portrayer 36 Unit 37 Mitchell masterpiece 41 Canton follower

42 Pierre's notions 43 Large land 44 Harrison or

cousin

45 Retreats 46 Weasel's

13 Trim 21 Sappho creation

11 Part of an eyelid 22 Conserve of

31 Raise 32 Broadway musical: 1977 33 Type of car 35 British gun 38 Enlarge

39 Graphic

25 Author of

27 Append

"Phil the Fiddler"

26 Deer's cousin

28 American's

29 Yearns 30 Parcels of land

omega

symbol 40 Conflict 46 Equipped with 47 Actor Carney 48 Queues 49 Not napping **50** Toss

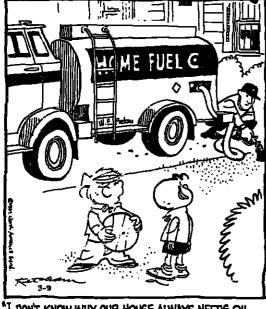
Russia 52 Three feet 53 Russian 54 Neglect to

include 55 Frankfurt's river 56 Old-school

method 57 One of the Hebrides

O New York Times, edited by Eugene Maleska

DENNIS THE MENACE



DON'T KNOW WHY OUR HOUSE ALWAYS NEEDS OIL. IT NEVER GOES ANYWHERE.

WEATHER

EUROPE						ASIA					
<u> </u>	HIG	5H	L	WO.		MOIN	H	СH	L	OW.	
	c	F	C	F			C	F	C	F	
Algor've	18	64	12	54	ď	Bangkek	36	97	25	77	ď
Am sterdan	1	34	-4	25	•	Bei(Ing	10	50	-1	30	0
Atheos	7	45	0	32	0	Hong Kong	26	77	22	72	
Sarcelona	15	59	. 9	48		Manijo	33	91	25	77	fr
Belgrade	-4		-15	.5	fq	New Deltri	29	84	16	41	tr
Berila Brussels	- [30 36	- 5	22 30	200	Securi Shanehal	.7	45	g	32	cí
Bucharest	3	30	2	30	9	Stragger	11 32	였	3 25	38 77	9
Budanest	-2	28	7	16	11U)	Taipei	25	7U	16	41	-
Сореобарел	Ď	32	- ;	23	3W	Tokyo	福	9	"i	32	ci
Costo Del Sol	20		7	46	ci	(GW) U	10		٠.		-
Derblin	~	ă	í	34	-	4 ED 1 6 4					
Ediaburah	- 4	39	ė	12	ŏ	<u>AFRICA</u>					
Florence	ì	46	- 2	25	ñ	Algiers	18	64	8	46	•
Frankfurt	Ō	32	. 6	21	Ťr.	Cape Town	24	75	ŭ	57	ä
Geneva	3	38	٦ -	30	•	Casablasca	19	66	Ħ	52	ä
Heislaki	9		- 11	12	fr	Herera	_	_		_	nq
Los Palmes	25	77	11	52	îr	Logos	31	88	26	79	٥
Lisbon	17	63	12	54	0	Mairebi	72	90	16	61	d
London	4	39	0	32	5W	T yel s	11	52	8	46	r
Madrid	19	66	6	43	a						
Attion	5	41	-1	30		LATIN AM	۲Đ	ICA			
Moscow	0	32	•	16	fr				-		
Manich Mice	-1	30 48	- 12	10	tr	Beenos Aires	35	95	15	59	fr
Osio	. 9 - 2	25	, 5	10	0	Caracas	30	84	21	70	fr
Poris	- 2	ã	`ź	36	0	Limo	32	90	30	68	c
Progue	-4	25	. 5	14	SW	Mexico City	15	59	-2	25	ĺŗ
Revklavik	7	ã	` 5	41	ř	Rio de Jonetro	31	88	24	75	d
Rome	Š	46	- 2	28	h						
Stockholm	-4	25	- TĒ	12	ë	<u>NORTH AN</u>		<u> 215</u>	Α		
Strasbourg	3	38	- 5	23	fr	Anchorose	-1	30	-9	14	
Venice	4	37	- 2	28	В	Affonto	15	59	`;	48	24
Vienna	-2	28	- 6	18	SW	Boston	13	55	3	7	6
Workew	- 1	30	٠ و	16	3W	Chicago	20	46	3	7	fr
Zorich	ø	32	-7	19	fr	Велуег	ñ	2	á	32	ä
MIDDLE	AST	r				Defroit	iĖ	4	7	37	듀
		_				Honolyky	26	79	15	99	tr
Ankoro	-1	30	- 5	73	3W	Houston	23	73	7	45	PC
Bairet	=	_	_		no.	Los Angeles	20	68	12	54	PC
Cairs	19	66	10	50	fr	Miam)	25	77	19	66	PC
Domescus Istonbul	_	=		=	Po	Michagoelis	12	54	6	43	Pt
Jeresgieen	10	32 50	٠,	JO .	3/4	Montraci	.4	39	1	34	PC
Tel Aviv	16	61	10	36	9	Nessqu	21	70	19	66	r
	.0	٠.			•	Mew York Son Francisco	75	64		42	PC
<u>OCEANIA</u>						Seattle	16	61 57	2	45	d
Auckland	22	72	13	55	el	Toronia	13	52	2	36	fr PC
Sydney	25	82	17	43	le.	Washington	22	7	ī	7	PC PC
Ci-cloudy; lo-	0007	: 14	-fah	· h	hoù:	o-over'cost: oc-or	utiv Utiv	de	e Mu.	-	
Cl-claudy; lo-foggy; fr-foir; h-holl; o-overcost; pc-partly claudy; r-rain;											

SPORTS BRIEFS

Zurbriggen Wins World Cup Downhill Title

ASPEN, Colorado (Combined Dispatches) — Pirmin Zurbriggen led a Swiss sweep of the top three places to win a downhill race here Saturday and add the World Cup downhill title to the overall crown he captured a week earlier.

Zurbriggen, 24, was timed in I minute, 47.29 seconds down the icy, bumpy course, ahead of Swiss teammates Daniel Mahrer and Karl Alpiger. Peter Müller, the only skier who had a chance to catch Zurbriggen in the downhill standings, missed a gate and was disqualified. Zurbriggen became the first skier since Karl Schranz in 1970 to win the World Cup overall and downhill titles in the same season.

At the Mount Allan resort in Alberta, Canada, warm weather and dangerous

At the Mount Allan resort in Alberta, Canada, warm weather and dan snow conditions caused officials to move a World Cup women's downhill from Saturday back to Sunday, and to call off the super-giant slalom that had been

Langer 2-Shot Leader in U.S. Golf Tourney

CORAL SPRINGS, Florida (AP) — Bernhard Langer contended successfully with a rain-delayed start, slow play and his own erratic putting to maintain a two-stroke lead after Saturday's third round of the Coral Springs golf tournament.

The West German's 70 put him at 207, 9-under-par for three trips over the

Tournament Players Club at Eagle Trace.

Heavy overnight rains flooded portions of the course and caused a half-hour delay of the start of play. Under the wet conditions, players were allowed to lift, the long times the long times to the start of the long times to the long times times to the long times to the long times to the long times to the long times times times to the long times times times times times times times to the long times ti

delay of the start of play. Unus are we can always and place balls in the fairway.

Langer, who had a two-shot lead at the start of the day, three-putted twice in the early going and twice slipped into a tie for the lead. But he regained sole control with a birdie on the 15th and stretched the margin back out to two when Bruce

Lietzke bogeyed the 18th. Lietzke also had a third-round 70 and was tied for second

Drechsler and Koch, who retired this year, share the world outdoor record of 21.71 in the

Solution to Friday's Puzzle ABEL SHEAF IMAM RIANI CAPRA MULE MATTERHORN PTAS SLEEVE SATIATES REEF SAALE REMANDED INERTS OVETT REELS LAT ROTE CALMS VASE IRT SALVE DENTE CAESAR ENGENDER RENDS DATE CONCEALS PEEWEE OBIT MITTERRAND POCO OGLER ECTO

Clemens Walks Out

WINTER HAVEN, Florida (AP) -Roger Clemens of the Boston Red Sox, the American League's most valuable player and Cy Young Award winner, failed to report on Saturday, 24 hours after walking out in a salary dispute. On Friday, he told Manager John

McNamara he wouldn't pitch against Detroit in Saturday's preseason opener, and left the ball park with his gear. Clemens made \$340,000 in 1986.

The Red Sox have offered him a reported \$500,000, plus incentives that could boost his pay to \$850,000. The club says Clemens wants a two-year contract worth \$2.4 million.

SPORTS

Drechsler, 4 Others Set Indoor Track Marks

INDIANAPOLIS - Five records have fallen at the first world indoor track and field championships here, with Heike Drechsler of East Germany continuing her hot streak in the United States.

Drechsler, who set a world best in the long jump last weekend in New York, won the women's 200-meter dash on Saturday in a world-best 22.27 seconds.

Other world marks were set Saturday by Ben

Johnson of Canada in the 60-meter dash and by Mikhail Schennikov in the men's 5,000-meter walk. On Friday, Greg Foster of the United States broke the world mark in the 60-meter hurdles, as did Olga Krishtop of the Soviet Union in the women's 3,000-meter walk.

She also holds the outdoor record at 24-51/2.

After the race. Drechsler said she continued in the long jump despite the heel injury because when you want to do your best you have to take risks, and my form was very good. If your form is good, you have to keep jumping."

Her sensational performance in the sprint came before a Hoosier Dome crowd of 20,023, the largest ever to watch an indoor track and field meet; the previous record crowd was 18,325 at the 1986 Millrose Games in Madison Square Garden.

About 15 minutes before Drechsler ran, Johnson, the world's top-ranked man in the 100 meters, set a world-best 6.41 in a 60-meter race marred by two false starts.

The first appeared to be called against Johnson, but apparently was not charged against anyone in the eight-man field. The second, originally charged to the Canadian, was changed and Schennikov, at the end of his brisk walk.

went against Christian Haas of West Germany.
When the second false start was first called against Johnson, he walked disconsolately around the infield of the track. But the reprieve appeared to revive his spirits, and in the race he as out swiftly, as usual. The previous indoor mark of 6.44 also belonged to Johnson; he ran that time twice this year.

Johnson also set a world indoor record of 5.55 for 50 meters this year, and in 1986 he ran the fastest ever sea-level time for the 100 of 9.95.

"After the second false start, I wasn't angry,"
Johnson said. "I was just trying to calm myself
before getting into the blocks and trying to concentrate on the race."



In the men's 5,000-meter walk, a protest, delayed recognition of Schennikov's world mark of 18:27.79. Schennikov, who led virtually all the way, and Jozef Pribilinec of Czechoslo. vakia came across the finish line nearly together. The two appeared to bump just before the tape, and when the race ended, Pribilinec wenn crashing to the track. The Czechoslovak teams protest was rejected.

The second secon

Pribilinec was timed in 18:27.80 and thirdplace finisher Ernesto Canto of Mexico in 18:38.71. The first three-all were under the former mark of 18:44.97, set this year by Rotte

ald Weigel of East Germany.

On Friday, Foster, the Olympic silver medal, ist, led his semifinal heat of the 60-meter hundless. in 7.46 seconds. The recognized world mark is 7.47: Foster has recorded a 7.36, but that clocking is being challenged by those who say it was accomplished with the aid of a false start.

"I felt I didn't run a complete race, I don't think I pushed myself," said Foster, adding that he thinks he has the potential of going under 7.36" and ending any question about the world mark.

In the women's 3,000-meter walk, Krishnop's time of 12 minutes, 5.49 seconds broke the previous indoor best of 12:31.57 set by Cantal lana Salce of Italy in 1985.

In enther Saturday grant Marcus O'Sulli-

In another Saturday event, Marcus O'Sulli-van of Ireland rallied in the closing steps to edge Jost Abascal of Spain in the men's 1,500 meters in 3:39.04.

The favorite for the 1,500 gold medal, Eg-monn Coghlan of Ireland, did not compese Saturday Coghlan spent much of Friday frantis cally trying to be allowed into the final after falling in his qualifying heat. He bounced up and turned in a sizzling final quarter unofficies. ly clocked at 54 seconds.

ELLB: Coach Bob S

Tyrone Bounes (14)

a Charge in the ACC in a

the Descons fell to North

KOREBOA

S College Results

SATURCAY EAST

al di del tracció 🖰

Date E Day of S

الروع - <u>الثالث</u> أو **منت**

mag te illere 🗦 🗁

Community is Community in Community in

Marie Coast Conference

Constant C. Marinaria di Marina di Turna di Cin

in Grains M. Victor ; S. 12.7 Grains M. P. Victor Forcer T. 1.1.7

Big Bost Carrierance

Ng Bight Captergoas

BCAC Metra Confe

Backetball Assoc

MANUTER CONFERENCE

Property Agency X

and S. Georgia Tec. ≤a

However, he placed fifth in the heat when he was passed by Dieter Baumann of West Germany and Canada's Dave Campbell just before the finish line. That put Coghlan out of the final, which was open to the top nine qualifiers.

Coughlan, the 10th qualifier, was briefly allowed back into the race before being ousted by a jury and then rebuffed in subsequent efforts to join the field.

Coghlan fell on the fifth lap when he spiked, the leg of Baumann. Both runners called the

WORLD STOCKS IN REVIEW / Via Agence France-Presse

Amsterdam

Trading on the Amsterdam stock exchange turned stronger late last week under the influence of year end company results.

The ANP-CBS General Index finished at

267.4, compared with 264.1 the previous Friday, with total turnover reaching 4.561 billion guilders, against 4.472 billion the previous

Prices declined on Tuesday, although Unilever recovered, after the publication of its year-end results, to reach of 522.50 guilders. On Wednesday sentiment improved on good performances by the internationals, a trend that was also in evidence Thursday when Royal Dutch proposed to maintain its dividend despite a decline in profit.

Frankfurt

Share prices on the Frankfurt stock exchange gained 2 percent last week, with the Commerzbank index gaining 42.9 points to finish at 1,754.6.

While the market appeared reassured by the stabilization of the dollar, analysts said exchanges in Tokyo, New York, London and Paris would have to falter before investors begin to buy West German shares in great Volume came to 10.930 billion Deutsche

marks, against 10,950 billion the previous

Among the most sought-after shares were Daimler-Benz, in the automobile sector, which gained 27 DM to 975, and Schering, in pharmaceuticals, which added 9 DM to reach 595. KHD, in capital goods, gained 10.80 DM to finish the week at 159.80.

Hong Kong

loss of 48.49 points.

A week of hectic trading at the Hong Kong stock exchange ended Friday with much of the gloss taken off the Hang Seng index. The Hang Seng closed at 2,798.64, down 79.23 points on the week, while the broader-

based Hong Kong index closed at 1,792.71, a

The week began well with dealers confident that a restructuring of Hong Kong Electric, run by Li Ka-Shing, would being good news. On Monday and Tuesday, the Hang Seng

index reached new heights, reaching just over 2,939 before Wednesday, when rampant profit-taking stripped nearly 50 points from the Worse was to come and dealers described

Thursday's trading as "panic selling," when the index lost 92 points. Dealers said many investors were unhappy with Mr. Li's plans, especially holders of Hong Kong Electric

London

Although continued pre-budget optimism and a promising economic outlook initially boosted equities last week on the Stock Exchange, profit-taking and the Bank of En-gland's apparent reluctance to signal lower interest rates overshadowed the tone.

The Financial Times 30-share index reached a record of 1,613.5 points, before slipping back to close up only 1.6 points on the week, at The more widely based FT-SE index, mea-

suring 100 leading shares, breached for the first time the 2,000 point mark, but retreated to end the week at 1,998.2 points. The number of transactions rose from 239,397 to 257,097.

Milan

Uncertainty surrounding Italy's political stability after the resignation of Prime Minister Bettino Craxi last week made investors wary, and Milan stocks edged downward in light

The Comit Index closed at 682.72, compared with the previous week's close of 684.92, and the Milan exchange index, which briefly passed the 1,000 mark late last year, was fixed at 940, down 3.

About 106 million shares changed hands, down 20 percent from the previous week's

Paris

The Paris Bourse soared to record heights last week, as the CAC index reached a new peak of 447.7 on Thursday before ending the week at 442.2 on Friday, against 429.1 a week

Analysts said activity on the French market

was now robust enough to permit significant selling and buying without provoking dramatic price fluctuations, a characteristic much appreciated by foreign investors. Japanese investors, for example, have now

determined that Paris, along with London, offers the strongest potential this year. The British brokerage Savory Milln has predicted that the CAC index would soon reach 500.

Singapore

The bull run at the Singapore stock market continued for the third consecutive week and strong buying interest saw the three-year-old record high of the Straits Times industrial index surpassed.

The index rose to a record 1,073.00 points Thursday to surpass the previous high of 1,071.91 set on Feb. 8, 1984.

On Friday, the index dipped marginally to 1,072.78, but sustained buying interest was visible and investors were confident that the bullish trend would be maintained for some

The volume of turnover was high. Total turnover for the week was at 252.21 million units, 5.2 percent more than in the previous week, but value dipped by 19.3 percent to 450.33 million Singapore dollars.

Tokyo

Share prices kept rising on the Tokyo Stock Exchange last week, with the key market indicators hitting record highs five sessions in a row before sustaining sizeable losses Friday and recovering somewhat in half-day trading Saturday.

Backing up the bullish market was extremely aggressive buying by institutional and corpo-rate investors, led by banks and insurance The 225-stock Nikkei Average, which gained

1.27 yen the previous week, progressed 700.94 to close after half a day's trading Saturday at 21,123.10 year. The Nikkei Wednesday topped the 21,000-yen mark for the first time.

Zurich

The Zurich stock exchanged showed a modest gain last week, a trend analysts said could continue provided the dollar does not plunge. The Credit Suisse index ended the week at 535.2, just up from 530.1 a week earlier, while that of Swiss Bank Corp. rose to 637 points from 627.8.



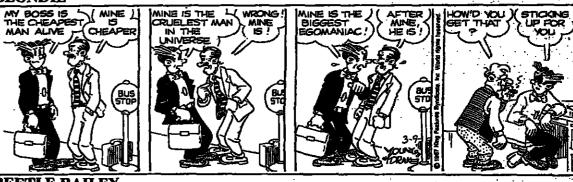








BLONDIE



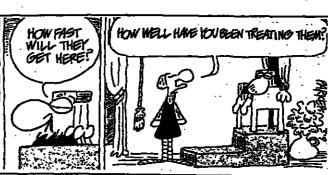
NO MATTER WHAT SARGE DOES, BEETLE KEEPS COMING YEAH BACK



ANDY CAPP



WIZARD of ID WE'VE TICHTENED UP THE SECURITY, SIRE. CASE OF trouble, Just PULLTHIS CORDAND THE GUARDS WILL APRIVE



REX MORGAN HAVING TOLD WHY CAN'T SHE HAS TO STOP MY MOM GET HOME BEFORE LATE ELLEN GRADY THAT HER OFF IN PITTS BURGH FOR A FEW HOURS BEFORE COMING FATHER-IN-LAW REQUIRE SURGERY, JUNE GALE IS SURPRISED ON BY HER UNEMOTIONAL BUSINESS - LIKE COM



GARFIELD, YOU NEED MORE VEGETABLES IN YOUR SYSTEM WHAT ARE YOU GOING TO PO?





CHIVAS What word best describes it? · 我就是我们把她们的说,我们没有有我们的有的说明。他可能把我们的 医一种的 经经济的 人名 (·) 新疆域网络 (·

SPORTS





GLEE CLUB: Coach Bob Staak was happily sandwiched by a jobilant Tyrone Bogues (14) and Greg Keith after Wake Forest upset Clemson in the ACC tournament Friday night, but 24 hours later the Deacons fell to North Carolina State in double overtime.

A Double Dose of Double OT at ACC Tournament By John Feinstein Washington Past Service WASHINGTON — So here we

are at the meaningless Atlantic Coast Conference basketball tournament. You know, the one no one cares about because it doesn't decide an NCAA bid any more. That must be why Terry Holland had

COLLEGE BASKETBALL

almost no voice left Saturday after his Virginia team pushed North Carolina to the wall - and almost through it. That must be why Dean Smith scemed totally wired for 50

minutes of play. It also must explain why all those players keep hugging each other at midcourt after victories. And why the losers barely can get the words out as they try to explain what just

They say that the best day in sports is the semifinals of the NCAA tournament. Bet this: in Landover, Maryland.

You want overtime? How about two — in the first game. North Carolina 84, Virginia 82. You want more? How about another two in the second game? North Carolina State 77, Wake Forest 73.

You want teams caring? Check the look on Tyrone Bognes's face as the continuation of his miraculous college basketball career hung in

You want memories? How about defense. If you want to know what You want memories? How about defense. If you want to know what {In the second game, Bennie Bol-his coach, Bob Staak, to take him Scott Williams's "throw" of a bas- I mean, come watch the tape with ton scored four of his 16 points in out for a standing ovation. ket that saved North Carolina, secme," said Smith, asserting that the second overtime, including two ond-ranked nationally, at the end some of the Cavaliers push and free throws with eight seconds left, hold away from the ball,

of the first overtime. How about Bogues racing downcourt with time running out before dishing to Antonio Johnson for a lay-up to create overtime No. 2 for Wake Forest and North Carolina

"This is like an NCAA tournament game," said the normally placid North Carolina forward, Joe first overtime buzzer, Kenny Wolf. "No. it's not. There's no way first semifinal for North Carolina, that could be as emotional as this The Associated Press reported. was. I can't ever remember being sodrained.'

(Virginia led by as many as 11 points in the first half and by eight In all, it was as sweet a day of basketball as one could ask for. points in the second half. But Not to mention a lengthy one. North Carolina caught up with a 10-2 spurt led by Wolf, who fin-When Virginia-North Carolina was over, when the Tar Heels had ished with 27 points. climbed all over each other, Hol-

talked about what a wonderful game it had been. March 28 in New Orleans's Super-dome will have to go a long way to top March 7 in the Capital Centre

Did he disagree with a couple of calls? Sure. "But in a game like that one," he said, "how can you complain about the calls? It was as good a basketball game as you

land, with what voice he had

Smith was less gracious. "I didn't think I was that bad," he said when asked about his pirouetting, bellowing bench performance that led to a technical foul

could ask for."

late in the second half. "Actually, it's my fault. I just get that way when we play Virginia. It has to do with their off-the-ball

PARIS - It takes three to make a great match, the winning captain aptly said. France, Scotland and referee Keith Lawrence, a New Zealander, were the inspired trio in Paris on Saturday. The French — by a 28-22 score that set records - and the

But principally on Saturday, gues had 17 for Wake Forest.]

hell with it."

ACC has seen.

four basketball teams went out and

Smith's six-foot jumper with one

second left in the second won the

By Bob Donahue

long as they could.

sport of rugby were the winners. In Cardiff, the day's other Five Vations trio had no such luck Ray Megson, a Scot, strained to control a foul-tempered match that Wales dominated against England, 19-12, in mud, rain and bitter wind. Fullbacks kicked nine penalty goals (Mark Wyatt five for Wales, Marcus Rose four for England) and Welsh prop Smart Evans scored a try.

There were six tries in brisk, dry Paris. Under Lawrence's liberal eye, players were too busy winning the ball and running with it to have much time for feuding. From all sides - officials, players, journalists and sundry others - at the banquet Saturday night came the verdict that this had been the best international match in years.

The Scottish coaching staff was impatient, an official said, to study films of the superb attack-

French Down Scots, Welsh Win FIVE NATIONS RUGBY

ing that produced France's four

the score at 4-4, was the work of

The French forwards outweighed the Scots by an average of 11 pounds (5 kilograms) a man, and both sides expected the French to slow down in the last quarter. So Scotland aimed for maximum dispersal at hectic speed, while France wanted a fat

An 18-7 lead at halftime looked slim to French captain Daniel Dubroca, who ordered an eight-minute assault that ended Afterwards, Valvano said:

"Muggsy Bogues --- I don't know to lead North Carolina State. Bo- what to say about him. He's just unbelievable. I've been in coaching "We were tired just watching the for 20 years and I've never seen a

played as hard as they could for as first game," said the North Caroli- guy more difficult to defend. "Here's a guy 5-3 who absolutely [After Williams's desperation baseline hook tied the game at the first oversing by the state of na State coach, Jim Valvano, "That ready to go, then they'd play anoth-er overtime. Finally I just said the

> In other college basketball action, Wake Forest-North Carolina The Associated Press reported: State was a final showcase for Bo-Nevada-Las Vegas 94, San Jose gues, as memorable a player as the State 69: The No. 1 Runnin' Ro-

but Bogues transcends height. The Association tournament. only shame in Wake Forest's loss Freddie Banks, a guard, scored was that there was no chance for 12 of his 20 points in the first 101/2

bels, 33-1, earned an automatic bid He is only 5-feet-3 (1.61 meters), to the National Collegiate Athletic

Indiana 90, Ohio State 81: In Bloomington, Indiana, Steve Alford scored 22 points and Rick Calloway added 20 to rally No. 4 Indiana from an eight-point deficit

midway through the second half. Georgetown 84, Providence 66: In New York, the No. 7 Hoyas advanced to the final of the Big East tournament against Syracuse. Reggie Williams had 22 points and 11

through the championship game of

the Pacific Coast Athletic Associa-

tion tourney with their 18th

Michigan 104, Purdue 68: In

Ann Arbor, Michigan, Antoine

Joubert scored 30 points and Mich-

igan prevented No. 3 Purdue from

winning its first outright Big Ten

title since 1969. The Boilermakers

finished in a tie with Indiana in the

Big Ten, and Indiana received the

league's automatic NCAA bid be-

cause it last missed the tournament

more recently than Purdue.

straight triumph.

rebounds for the Hoyas. Syracuse 99, Pittsburgh 85: In New York, the No. 10 Orangemen got a tournament-record 35 points

from Sherman Douglas to stop No. 11 Pittsburgh. Alabama 87, Auburn 68: In Atlanta, the No. 9 Crimson Tide

reached the Southeastern Conference tournament final against Louisiana State. Jim Farmer sank three. consecutive 3-point baskets to trig-ger a 14-2 second-half burst for

Illinois 77, Michigan State 64: In East Lansing, Michigan, Ken Nor-man scored 21 points for the 12thranked Illini.

Missouri 72, Kansas State 69: In Kansas City, Missouri, the No. 19 Tigers reached the Big Eight tournament final against Kansas. Nathan Buntin scored a career-high 28 points for Missouri.

Kansas 82, Oklahoma 77: In Kansas City, the junior Danny Manning scored 27 points to become the Jayhawks' career scoring leader with 1,901 points, 13 more than Clyde Lovellette.

UCLA 75, California 68: In Los Angeles, No. 18 UCLA gained the final of the inaugural Pac-10 tournament against Washington. Reggie Miller scored 11 of his 28 points in the final 10 minutes for the Bru-

SCOREBOARD

Basketball

U.S. College Results N ACCON Homilton 25, Ow esident Fernand (Pia.) 83, Brooklyr 5 title to 2002 Struct to proper DePout 68, Marquette 59 Intent comment 90, Ohlo St. 81 Plant 196 To Attention St. 64 Sphigan 184 Purdue 68 April 196 To Attention 184 Purdue 68 April 196 To Attention 184 Purdue 68 April 196 Townstern 72, Minnesota April 196 Townstern 72, Minnesota April 196 Townstern 73, Minnesota April 196 Townstern 73, Minnesota April 196 Townstern 73, Minnesota April 196 Townstern 74, Minnesota April 196 Townstern 75, Minnesota 196 Townstern 75, Minnesota 196 Townstern 75, Minnesota 196 Townstern 76, Minnesota 196 Townstern 196 Townstern 196 Townstern 196 Townstern 196 Townster

Clash

: defense -

to 1985

Ctory

<u>ಚಾ ಅಕ್ ಜೀಜ್ಯ</u> d asses that age

Championship SW Missouri St. 90, Clayeland St. 87 n Rebek Atlessic Coast Conference First Report
North Caroline 62 Moryland 63
N. Caroline 51. 71, Date 64, OT

Virginia 55, Georgio Tech 54

Latin State Wake Forest 80

Sensitivate

Sensitivate orth Carolina St. Virginia 82, 20T MINISTREE IN Carolina St. 77, Walte Forest 73, 20T Big East Conference
Pirst Round
Georgetown 5t. Boston Cat. 5t
Pirtsburgh 9t. Selan Hall Bil
Providence 8t. St. March to the terminal of the

Georgetown St. Providence

Big Elekt Coalen First Rosed anthern Egypt 4 Konsos 67, Oklohoma St. 58 Alisport 65, Colorado 59
Ok. Somo 82, iowo 51, 73
Ok. Somo 82, iowo 51, 73
Femilinuis
Fe

ಚಿತ್ರ ಕಟಕ

Section 1

Compression of the Compression o

STATE OF THE STATE

12 FAM

THE REAL PROPERTY OF THE PARTY
Mastern Mashington Allicade plain

New York

Defroit

Attente

negona negona

transa, varan

Section 1975

10 to 2

Separate Sec

100 mg 10

) Dollos

Jolles John John Jones

A.A. Lokers

iestile aciden State

New Jersey

8/9 Sky Conf Starged of the Conwere of the art and Idoho St. 82, Idoho 63 Nev-Reno 98, Weber St. 90. Idoho St. 92, Nov.-Reno 81

. ECAC Metro Conference Fairleigh Dickinson 75, Loyala, Md. 51 Marist 59, Wasner 57 Championship Marist 64, Fairleigh Dickinson 55

ECAC New England Division III Amherst 67, Tuits 65
Cobby 92, Worchester Tech 76
Framingham St. 68, Trinity 66 Williams 92. Bobson 82

he 27 - 55. ECAC North Atlantic Co. Section of the second Northeastern 71, Baston U. 68 Metro Conference First Round المختار والمحارب المراجع المرا South Carolina 84, Florido St. 85

National Basketball Association Standings

Central Division

38 29 .455 -
39 21 .459 -
38 24 .413 2

31 27 .534 7

28 32 .467 11

22 33 .377 164

W L Pct. 68

vision 47 14 770 -37 24 667 10

ic Division W L Pct. GB

45 15 .750 -22 27 .542 12½
33 28 .541 12½
20 41 .328 25½
16 44 .267 29

BASTERN CONFERENCE

WESTERN CONFERENCE

FRIDAY'S RESULTS

G. Williams 6); New Jersey 13 (R. Williams 6).

oston 44 (Johnson 16).

his St. 74. South Corp senumen on PA, E. Michigan 76

owilng Green 59 Championship Cent. Alichigan 64 Kent St. 63

N. Carolina A&T 73. S. Carolina St. 45 N. Carolina A&T 79, Howard 58 Pacific Coast Albielic Confere Semificats
Nev.-Las Vegas 99, Fullertan St. 65
San Jose St. 70, Col-Santa Bortsara 6
Champlemahis

Compressions
Nev.-Los Vegos 94, Son Jose 5t. 67 Pacific 18 Confer Quarterfinats nic 64, Oregon St. 57 Oregon 72. Arizona 65 UCLA 99, Arizona St. 83

ngton 26, Standord 71 Sumffloats son 70, .Qreson 56

Alabama 68, Tennessee Auburn 79, Kentucky 72 Georgia 65, Mississippi 43 Louisiana St. 72, Florida 64 imo 87, Aubum 88 Igno St. 89, Georgia 88, 20T

Southburd Conference Championship Louisiana Tech 58, Arkonsas St. 51

Texas A&AI EL Texas Christian 79

Southwestern Athletic Confer Somificets

mbling 56, Jockson St. 55, OT thern U. 100, Texas Southern E Champleship Chauthleaship Southern V. 185, Grambling SS Tress America Athletic Confe Ga. Southern 70, Ark-Little Rock 62 Stetson 73, Houston, Baptist 68 Championship Ga. Southern 49, Stetson 46

West Cass Athletic Conference Secolfisch operaine 64, San Diego 63 nta Cioro 55, St. Mary's, Calif. 58

Sonto Clara 77, Pepperdine 45

Wyoming 77, Texas-El Paso 74
Championship

Hockey

National Hockey League Standings WALES CONFERENCE

Hruday, Smith) 7-13-8—21. Chicogo Chicago New Jersey 1 1 1—3 Wilson 2 (14), Presiey (27), Nylund (7); Loiselle (13), McNob (7), Chernomoz (2), Shets en soal: Chicago (on Billington) 13-7-5—25; Mass Jersey (on Bonnermon) 16-115—32. ms Division 36 24 7 79 240 222 31 28 9 71 225 214

CAMPBELL CONFERENCE

Edmonton Tikkonen (30), Kurri 2 (44), Messier (30), Anderson (20), Kurri 2 (41), Messer (30), Anderson 2 (30), MogTovisi (17), Ruotso-lainen (1), Gretzky (36); Erickson (17), Ni-chells (24), Bourne (11), Shots on goal: Los Ansakes (on Fuhr, Mooy) 8-16-32; Edmon-ton (on Jensen) 15-9-11-35.

Los Angeles

Montreal 1 0 0—1 Antopover 1 2 1—4 Skriko 3 (24), Tanti (25) ; McPhee (11). Shots

Detreit 1 1 1—3 St. Louis 1 2 2—5 Gitmour (34), Federito (14), Ramoge (5), Pasiawski (22), Cavallini (14); Higgins (11),

Form (12), Yzerman (26), Skets on goel: De-frolt (on Aktien) 8-10-7—25: St. Lauls (on Hon-lan) 11-7-12—30. Metz 1, Lavoi 0

Lemieux 2 (45), Loney (3), Cunneyworth (25), Honnon 2 (10), Quirm (24); Graham (23), Ciccorelli 2 (50), Shets on seal: Pittsburgh (on Seaupre, Takko) 13-13-10--36; Minne: Heloche) 9-13-8--30.

Montreal
Schoolso

Messier 2 (32), Kurri 2 (46), Pouzer (2);
McPhee (12), Sicrudiand (16), Walter (15),
Shots an soul: Montreal (on Moop) 3-5-6-14;
Edmonton (on Hayword) 6-7-22,
Sufficial

8 4 1 8-5
Sufficial
Schalke 2, Nurembers 4
Bayer Laverkusen 3, Boru
Points standings: Bayern

12-4—36. N.Y. Islanders Toracto 1 5 1-7 Thomas 2 (28), Courtnell 2 (24), Valva (28), Clark (29), Thomas (28), P. Innecak (18);

Tennis

(At Key Biscover, Florida)
WOMEN
Sloptes Filed
Steffi Graf (2), Wast Garmany, def.
Evert Lloyd (3), U.S., 6-1, 6-2.

World Cup Skiing

MEN'S DOWNHILL (At Aspes, Colorado

5. Mort Girardelli, Luxemboure, 1:455 4. Action Steiner, Austria, 1:48,72, 7. Heimat Hölletner, Austria, 1:48,96, 8. Franz Heinzer, Switzerland, 1:49,51, 9. Dous Lewis, U.S. 1:49,12,

10, Felix Belczyk, Conodo, 1:49,17.

3. Kert Alpiger, Switzerland, 1: 4. Michael Mair, Italy, 1:45.5.

5. Marc Girardelli, Luia

Allementee 36 32 31 34-123 Mations 72-17 10-12 34, Scurry 5-6 11-12 21; Sikma 8-124-620, Pressety 6-86-9 18, Pierce 7-17 4-6 18, Reboseds: Utch 49 (Mations 11); Mil-wouker 70 (Sikmo 15). Assists: Utch 20 (Stockton 8); Milwouker 27 (Pressey 16). (SIOCKION 6); (Aliveourse 27 (Pressey 16).
Socramento 37 22 26 33—119
Son Autonio 29 39 28 34—130
Robertson 12-21 3-3 27, (Alitchell 10-12 7-8 27,
Sundvold 9-13 4-5 22; Johnson 16-29 2-2 38,
Thorpe 8-12 5-7 21, Reheends: Socramento 51
(Thorpe 8-15); Son Antonio 46 (Greenwood,
Macre 6), Assight: Socramento 37 (Theus 15);
Son Antonio 39 (Sundvold 12).
Sattleboays Descriptor Shales Semificals Singles Semifinals
Ivan Lendi (1), Castonalovokia, def. Jimmy
Cannors (6), U.S., 3-4, 7-4 (9-7), 7-6 (11-9), 6-2.
Allostov Macir (9), Caschasiovokia, def.
Yamnick Noah (4), France, 7-5, 5-1 (ret.).
Deathles Final
Poul Annacana, U.S., and Christa Van Rensburg, South Africa, def. Ken Flach and Robert
Seguso, U.S., 6-2, 6-4, 6-4.

SATURDAY'S RESULTS Cieveland 27 23 7 33—118
L.A. Lakers 36 27 34 25—122
Worthy 14-22 3-4 31, Johnson 10-17 4-6 26;
Harper 10-24 7-8 27, Price 9-12 9-0 12, Rebeards: Cieveland 42 (Harper 91; Los Angeles 42 (Worthy, Johnson, Rombis 8), Assists:
Cieveland 28 (Harper 7); Los Angeles 32

39 21 .450 — 33 27 .550 6 32 28 .533 7 25 36 .410 14½ 22 36 .367 17 19 41 .317 20 (Johnson 17). Lioninson 17).

Houston 32 24 22 27—115

Secitive 23 23 24 22—115

Chambers 9-16 19-10 29, McContel 12-27 3-4 37 24 .047 19 32 30 .516 1519 29 32 .475 18 24 36 .480 2212 10 48 .172 3575 Chambers 7-16 10-10 27, McCarulei 12/21 3-4
27: McCroy 9-11 2-4 20, Petersen 9-16 1-2 17,
Old lund 7-17 5-6 19, Reid 9-23 3-4 19, Rebeends: Houston 44 (Old Juven 9); Seattle 48
(McCarulei 9). Assists: Houston 22 (McCray
8); Seattle 24 (McMillion 11).

5); Segrite 24 (MICRAHILION 11).

Socremento 25 32 27 18—192
Phoenix 25 22 37 28—195
Davis 16-25 46 36, Humphres 6-10 7-6 19;
Thorpe 6-16 14-15 26, Theus 9-17 4-5 24, Rebounds: Socremento 36 (Tyler 10); Phoenix 50 (Pinchney, Agoms 5), Assists; Socremento 24 (Theus 9); 41 (Humphres 31) 36 23 25 25-111 36 23 25 25-112 McHole 16-203-535, Alinge 8-153-320; Coge 8-45-521, Benjamin 10-15 1-121, Gordon 6-10-2-2 5. Rebounds: Clippers 49 (Cope 10): Boston 1 (Parish 9). Assists: Clippers 20 (Drew 11): 28 (Theus 9): Phoenix 31 (Humphries 71). 26 (Thous 47; Final 24 23 18 23-- 55 L.A. Crippers 34 29 25 23-115

Ewing 10-14 5-10 28 G. Wilkins 9-20 3-4 21; Dalley 7-15 6-6 20, Coge 6-13 7-5 19, Resounds: Dalley 7-15 to as, Colle to 15 176 17. Responses: Los Angeles 42 (Cose 16): New York SI (McNeally 9). Assists: Los Angeles 17 (Gordon viskins > 10.7-11 M, messes = 13.64 M, visiting 5.7-44 S. Wissiridge 6-11.6-6 B. Colemon 3.7-44 S. Rehounds: Atlanta 42 (Kanask 9); New oray 46 (B. Williams 11), Assists: Atlanta 14. 7); New York 23 (Henderson 8). 23 37 34 28—124 21 24 25 34—128 Milwarkee

Allwesters 21 24 25 38—126 indians 19-13 6-5 26 Lucas 11-13 3-6 25; Curranings 19-13 6-6 26 Lucas 11-13 3-6 25; Long 12-21 3-4 25, Tudole 9-12-4-4 22, Rebounds: Allwesters 43 (Curranings 13), Indiana 36 (Williams 18), Assists: Allwesters 18 (Pressey 6-10 Indiana 24 (Stipanovich, Fleming, Long 5). 24 27 26 34-113 33 25 35 39-123 Takkadelphid

Robinson 11-24 4-6 26, Cheeks 16-15-4-24; M.
Valone 9-15-4-4-22, J. Mattera 8-16-4-5-20, Reownes: Westlington 51 (Cortedge 10); Philosiphic 61 (Barriley 18), Assists: Woshington
) (Whottley 7); Philodelphid 31 (Cheeks,
gravy to). 27 34 22 31--114 29 17 17 35--102

oney 10). 34 27 14 34—115 alies 22 32 33—125 etreit

Johnson 13-21 2-3 28. Laimbeer 10-18 4-4 24: 25. Blockman 9-22 4-4 22. 25. Blockman 9-22 4-4 22. 25. Blockman 9-22 4-4 22. 25. Blockman 20): Detroit 15. Sentis: Dollars 21 (Harper E. James 23): Chornes 23 (Thornes 22): 29 23 27—118 High 36 29 24 35—122 Attention 13-16 8-9 34 Wilkins 10-32 10-11 30; Willis 13-16 8-9 34 Wilkins 10-32 10-11 30; Willis 13-16 8-9 34 Wilkins 10-32 22 22. Ro-34 29 24 33-122

: Defroit 23 (Thomas 72).

9W Yerk 31 29 25 25—189

blcope 6. Wilkins 14-24 4-6 33, Ewine 13-21 5-7 31;

ridos 16-24 7-9 27, Soulis 7-11 2-3 16, Oskiw 7-12-3 16, Rehomats; New York 31 (Ewine 11);

1-2-3 16, Rehomats; New York 31 (Ewine 11);

1-2-3 16, Rehomats; New York 31 (Ewine 11);

1-2-3 16, Rehomats; New York 32 (Ewine 11);

1-2writis 13-16 5-9 34, Wilkins 10-32 10-11 30; Melone 9-17 7-11 25, Griffith 9-18 2-2 22. Re-bounds: Utah 42 (Malone 10), Affonto 40 (Wil-ila 15), Austria: Utah 26 (Stockton 9), Affonto 26 (Rivers 17).

Morrow (2), Kramm (16), Shats on soal: New

Courinell (13), Middleton (22), Kasper (17); Franceschetti (10), Duchesne (13). Stets de looi: Washington (on Keans) 3-13-12-0-28; godi: Woshington (on Keuns) 3 Boston (on Posters) 5-6-94-24. Philodelphia

Lawless (19), Turgeon 2 (16), Froncis (26), Tippett (9); Propo (21), Howe (12), Kerr (47). Shaft on seat: Philodelphia (on Liut) 12-10-9-31; Hartford (on Headall; Resch) 11-9-18-30.

European Soccer

ENGLISH FIRST DIVISION Chelsea 1, Arsenal 0 Norwich & Wimbledon 0 Nottingham Forest 2, Oxford 0

Southampton 4, Leicester p
Tottenham 1, Queens Park 0
Polats structions: Liverpool 58; Everton 55;
Arsend 34; Tottenham, Nottingham Porest,
Luton 50; Norwich 49; Coventry 46; WimbleMetterd 43; Manchester United 41; field Wednesday 35; Oxford 34; South

1 1 1—3 31; Charitos, Manchester City 29; Leicester,
1 2 2—6 Aston Villa 27; Newcostie 25.
Komoge (5). FREINCH FIRST DIVISION
Recting Club Paris 5. Lens 0

Rennes O, Bordsoux 1 Norses 2, Sochaux 1 Nice 3, Le Havre 1 Toulon 1, Nancy 8 Lille 1, Paris-St. Germain 8 Auxerre G. Marseille 0
Points standings: Rom

2 1 6-3 35; Toulouse 30; Austranses; Bordessix 36) Moreelle 35; Toulouse 30; Austranses, Monoco, 2 2 1-5 Nice 29; Metz 27; Brest 26; Lille, Ports-St. 2 (46), Pouxor (2); Germain 25; Loval, Lens 29; Rocine Club (18), Walter (15), Ports-22; Sainl-Etlenne, Le Houvre 21; Toulon, 30 (4-7-22). Sachoux 19; Nancy 17; Rennet 15. WEST GERMAN FIRST DIVISION Schools 2 Newsphere 3

Schalke 2, Nuremberg 4
Bayer Leveriusen 3, Borussia Cortmund 2
Polari standings: Bayern Munich 27; Homburg 26; Bayer Leveriusen, Kolsersloutern 21; Werder Bremen 22; Stuffopri 21; Borussia Dortmund, Cologna, Nuremberg 20; Bayer Uerdingen 19; Woldfoot Mannhelm, Borussia Mänchessiadfoch, Bachum, Scholke 17; Eintracht Frankfurt 16; Homburg 12; Fortung Disseldert 9; Altaustete Berfin 8. Düsseldorf 9; Blau-Weiss Bertin &

SPANISH FIRST DIVISION Real Socieded C. Atletica Madrid 1 Valiodol 2, Athletic de Blit Real Madrid 2, Sevilla I Españo: 3. Sabadel Murcia 1, Codiz 0 Glios 2, Santander

Sirio 2, Suntanan 1 Zerrapera 2, Borcetona 8 Betis C, Caasuna 0 Real Sociedad C, Atletica de Madrid 1 ITALIAN FIRST DIVISION Aveilino I, Verano 1 Florentina I, Como 2

BASEBALL

pitcher, to a one-year contract.

ALINNESOTA—Signed Kirby Puckett, can ider, to a one-year contract. And that Alvars Espirazo, Grey Gagne and Steve Lombordazzi, infielders, end Mark Portugal, sticher, have agreed to terms. OAKLAND-Stoned Mork McGwire, third

MEN'S OVERALL STANDINGS 1. Pirmin Zurbriggen, Switzerland, 294 2. Morcus Wasmaler, West Germany, 174 and Mike Layad, plichers, to one-year co tracts.
TORONTO—Signed Mark Elchhorn, pitcher, and Cecil Fielder, designated hitter, to one-

> pereed to terms on a one-year contract. SASKETBALL National Basketball Association

NEW JERSEY-Named Harry Welfman HOCKEY

Tith round draft choice because Hushes had not cleared waivers within 30 days of his last tronsoction. BUFFALO—Obtained Mark Napler, right wing, and Lee Fagolin, datensemon, from Edmonton for North Locombe and Wayne Van Barp, right wings, and unspecified future can-

tries — three by left wing Eric Bonneval and one by right wing Philippe Berot, who also kicked three penalty goals. Flyhalf Franck Mesnel kicked a dropped Scotland's first try, evening

No. 8 John Beattie, who blocked a clearance kick by fullback Serge Blanco, then recovered the ball and loped coolly away. Beattie and his flankers, Finlay Calder and John Jeffrey, had an outstanding game — but so did their French counterparts, Laurent Rodriguez, Dominique Erbani and Eric Champ.

cushion of early points.

with Bonneval's third try. The feared Scottish comeback was

then so effective that Dubroca later said France would probably have lost if the match had lasted an extra 10 minutes.

Fullback Gavin Hastings 14 points in all, including a conversion — finished with four penalty goals from five attempts. He fielded a slick chip from flyhalf John Rutherford and passed to his younger brother, center Scott Hastings, for Scotland's

second try.

Fifty points is the most in any match in the two teams' 77-yearold series. France chalked up its highest score ever against Scotland, and Scotland's total was its biggest ever in Paris. But Scotland is still without a victory in Paris since 1969 - and England is still without one in Cardiff since 1963. With three Five Nations Satur-

days gone, France is three-forthree and assured of at least sharing first place in the tournament England is zero-for-three. Scotland, Ireland and Wales are 1-1. The French will be after the grand slam in Dublin against Ireland on March 21 — but "it will be bloody hard," Scotland's cap-

tain, Colin Deans, has warned

them — while the Scots host

Wales. On April 4, Ireland goes

to Cardiff and Scotland finishes at Twickenham against England. ins after Cal had closed to 67-65.

Tyson Defeats Smith, Takes WBA Championship

LAS VEGAS - Mike Tyson felt good but not satisfied after he added the World Boxing Association heavyweight championship to his World Boxing Council title. Most of the 14,000 who watched Tyson's one-sided, 12-round decision over James (Bonecrusher) Smith here Saturday night were not satisfied either.

said Tyson. "I thought he'd try to come out there and beat me up and try to win," he said. "He didn't want to fight. He was just trying to SHIVIVE. Lou Tabat had Tyson on top by

120-100, while fellow judges Dalby Shirley and José Guerra each scored it 119-107. A computerized breakdown of the punches showed Smith landed

only 51 of 223 thrown while Tyson, the 7-1 betting favorite, connected on 191 of 317. Smith, 33 and making his first WBA defense, decided not to mix it up with the unbeaten 20-year-old, who was making his first WBC de-

Smith's best punch may have been a right to the jaw in the final seconds of the final round. It rocked Tyson, but Tyson came back with a left hook.

fense.

The short, blocky Tyson did not have the style to make a boxing match out of it, and the 6-foot-(1.93-meter) Smith chose not to the seventh, which ended with New York. Tyson won the WBC floored Andries four times in the turn it into a slugging contest. The pattern of the fight was set in the first round. Tyson, who had Smith had connected with a left ber. to go the distance for only the third

time in 31 pro fights, tried to feint head. But when he got inside, Smith tied him up. Tyson, who is listed at 5-11½ but appears a couple of inches shorter, vas unable to unleash the clusters of ramches that had marked his rise

By Murray Chass

New York Times Service

Dawson, one of eight premier free

agents who have gone without jobs and virtually without offers, told

\$500,000 of it guaranteed.

that Dawson, a 12th-year outfield-

The Cubs' action was the first

cr, made last year with Montreal.

break in what had been the appar-

ent solid front by all the major

league clubs against signing the

free agents who chose not to re-sign

with their 1986 teams by last Jan. 8.

latest grievance by the players'

TAMPA, Florida - Andre

pleasure of the crowd.



Mike Tyson, right, generating a little action in Saturday night's opening round.

hook and caught Tyson with a right uppercut. Tyson landed several

to get inside and work the body and jabs and a couple of good rights. Adding to the one-sided decision

Smith landing a good left and right title with a second-round knockout sixth round and once in the ninth to the head. Earlier in the round, of Trevor Berbick here last November the went down again in the

Thomas Hearns knocked down second title defense. champion Dennis Andries six times was the fact that referee Mills Lane and stopped him at 1:26 of the 10th Boxing Council light heavyweight championship, The Associated

Press reported from Detroit. The 28-year-old Hearns, who

When he went down again in the 10th, referee Ariel Herrera of Panama stopped the fight. The 31-year-Hearns Wins Third Crown old Guyana native was making his

Hearns became the 12th man to

win world titles in three weight classifications and the first since 1985, when Wilfredo Gomez won his third title as a junior lightweight. Hearns, 44-2 with 37 knockouts,

dries, who won the title on April 30. 1986, in London in a decision over J.B. Williamson, is 28-7-2 with 17 knockouts. He had won 15 consecutive fights going into Saturday's

round technical knockout to win the World Boxing Association featherweight title Friday night in Fort Worth, Texas, The Associated Press reported. Cruz was making his first title defense of the crown he won last June 13 by upsetting

ed the WBA's No. 1 contender, stopped Cruz with a flurry of purches. Already well ahead on points, he sent Cruz reeling twice in the 12th before the referee stopped the fight at 2:28 of the round. The first knockdown came moments after the fight was halted so a doctor could examine Cruz's swollen eyelids. After the fight, Cruz could see only through a tiny slit under his

Esparragoza improved to 25-1-3

Exhibition Baseball

2, Mortus Wasmoler, was resmony. 1
3. Joef Gaspoz, Switzerland, 145.
4. More Girardelli, Lusemboura, 140.
5. Ingernor Steamork, Sweden, 134.
6. Richard Promethor, 18by, 17E.
7, Karl Alpiper, Switzerland, 87.
8. Bolom Krizol, Yusoslovic, 85.
beland Steam Austria, 87.

PRIDAYS DESULTS N.Y. Yonkees B. Affords 1 Nippon 1, Pittsburgh 9 Teless 5. Detroit 1 Chicago 10. Milwaukee (ss) 7 San Diego 4 Colifornia 2 11 Innings Alitwoukee (ss) 13. Son From SATURDAY'S RESULTS

Boston 17, Detroit 5 St. Louis S. N.Y. Mets 1 N.Y. Yorkes & Boltimore burgh 6. Chicago White Sox 1 adelphia 0. Toronto 9 (8½ ionings, rain) Komsos City (se) 7, Texas 6 Konson City (sa) 10. Nie

Transition

American League
KANSAS CITY—Signed Denny Jockson,
pitcher, and Denny Torisbull, outfielder, to
one-year contracts.
ANILWAUKEE—Signed Teddy Higuers,

breamen. Announced that Jose Consuce, out TEXAS—Signed Orlando Mercado, catch-

er, and Cacil Fielder, designored parter, to one-year continoids.

Notional League

NEW YORK—Signed Rafoel Septeme,
shortstop, Lea Dykshro, outfielder, and \$id
Fernandez, Pilcher, to one-year contracts, Ar-sounced that Reser McDowell, pilcher, has
asset in beam on a newwer Contract.

Hotional Hockey Lausue
LEAGUE—Pined the Boston Bruinsond the
Quebec Nardiques a total of \$22,000 for a Voided the March 5 trade in which St. Lools sent Pat Hughes, right wing, to Horitard for a

siderations.
MONTREAL—Sent Gilles Tribuudeau,
genter, to Shentrooke of the American Hockev League.

deducted one point from Smith in round Saturday to win the World the second and eighth rounds for holding. Tyson's purse was \$1.5 million, to stardom. When not tying up Ty-son, Smith circled away, to the diswhile Smith got \$1 million. Smith won the WBA title with a previously held the World Boxing leasure of the crowd. shocking first-round knockout of Association welterweight and the has lost only to Sugar Ray Leonard The best round of the fight was Tim Witherspoon last December in WBC super-welterweight titles, and Marvelous Marvin Hagler. An-Dawson Accepts Low Offer From Cubs

nation of public opinion, the influence of the Cubs' players and the rules in the player's favor, he could team's clear self-interest has reap additional salary. changed the program of trying to The closest any of the eight free

would sign a contract for any salary in Tampa. Dawson, 32, will receive a guarthey named. Dawson's lawyer, Richard Moss, said Friday that the anteed \$500,000 plus an additional Cubs had accepted that offer and \$150,000 if he is not on the disabled named a salary of \$650,000, with All-Star break. The contract also The higher figure represents a 38 includes award bonuses. percent out from the \$1,055,000

Dawson, who had just completed a six-year, \$5.38 million contract with Montreal, rejected a two-year, \$2 million contract from the Expos. Dawson had made it clear that he preferred to play for the Cabs. He hits well at Wrigley Field and

Dawson will be eligible for salary union charging the owners with vi- arbitration next year, and he could agreement by acting in collusion. aberration stemming from the al- or our commitment."

NOT THE STATE OF T

"We are pleased that the combi-leged conspiracy. If the arbitrator

and virtually without offers, told drive star free-agent players back agents had come to signing was the Chicago Cubs last week that he to their former teams," Moss said when Lance Parrish agreed to a \$1 million contract with the Philadelphia Phillies but refused to sign a provision waiving his right to sue anyone in baseball management or list with a knee injury before the file a grievance. The other free agents in the category are Tim Raines, Rich Gedman, Ron Guidry, Bob Boone, Bob Horner and Doyle Alexander.

Moss said that Dawson had offered to sign for whatever terms the Cubs considered "fair and appropriate, bearing in mind their knowledge of the salary structure in baseball and their knowledge of the park's natural grass surface is who Andre is. We had hoped that The clubs' action had prompted the easier on his injury-plagued knees. the Cubs' definition of fairness would have been more realistic than it is, but our offer was unconolating the collective bargaining argue that this year's salary was an ditional and we will, of course, hon-

Antonio Esparragoza of Venezu-cla defeated Stevie Cruz on a 12th-Barry McGuigan in Las Vegas Esparragoza, who had been rat-

left evelid.

with 14 knockouts; Cruz is 27-2.

By Aljean Hannetz New York Times Service

OS ANGELES — The ranch house inn is separated from the freeway by a low wire fence and a narrow strip of

dirt. When John Huston wakes in the night, struggling to breathe, he can almost reach out and touch the herd of Colts and Mustangs that is inexorably

plunging past.
Once he made his movies in Kyoto. Tobago, French Equatorial Africa, the Belgian Congo — thriving on malaria, amoebic dysentery and sunstroke. Now he is living in a motel at the edge of a freeway and making a movie - the 40th movie he has directed in 46 years - in a warehouse in Valencia on the outskirts of Los Angeles. He can breathe by himself for only 20 minutes at a time. He sleeps, dreams, has a nightly jolt of tequila and plays backgammon for \$5 a point tethered to a plastic umbilical cord and a

tank of oxygen.

John Huston is 80 years old. Age and emphysema have reined him in. He raises his hand and shakes the white plastic tubing that leads from his nostrils over his ears, down his chest and, in loops and coils, to a squat brown metal machine 25 feet away. "I curse this all the time. The fates have finally put a very barsh bit into my mouth. I don't like any part of being bound. But I've never discovered an answer to that old question of what does freedom really consist. If you aren't fettered by one thing, you're fettered by another. I'm not hungry or thirsty. I'm not lovelorn. I'm just at the end of a piece of plastic tubing. And we're all hostages in one way or another."

But the transparent cord triggers another image too - an astronaut, intrepid explorer free-floating in liquid space. A few years ago, says his 36-year-old son, Tony, "Dad was asked to what he attributed his longevity." "Surgery!" he roared. If he cannot have life on his own terms, he will take it dented, slightly a tangible sense of pride in serving this

soiled or marked down. It is 11 A.M., and John Huston is scated in a wheelchair on a platform of raw wood, staring at a television monitor. On the screen, gentlemen in tail suits and tuxedos, with wing-tipped collars and boiled shirt fronts, dance with ladies in Maltese lace and velvet skirts that brush the floor. It is 1910. Dublin, Ireland. Outside the windows, snow is falling.

Why has he chosen to make a movie of

"The Dead," a short story by James Joyce in which the most momentous thing that happens is that a middle-aged well-meaning husband learns how little he knows the woman who shares his bed? All movies are part luck and part actident, and "The Dead" began with a casual discussion four years ago in Mexico.

"We were preparing the script of Un-der the Volcano," says Wieland Schulz-Keil, co-producer of that movie and this one. "We talked about how few pieces of great literature deal with marriage, rather than extramarital triangles."

There was, too, an attachment to Joyce that started when Huston was 21, on his honeymoon with the first of his five wives. "One of the ways we celebrated that honeymoon was my wife reading 'Ulysses' aloud," Huston says. "The book was banned. My mother had brought it back from France. I can still see the blue paper cover.

And he also had a desire to see Ireland again, Galway where he had been an Irish gentleman for 20 years, siring children and drinking and riding to hounds and disappearing to make movies and reap-

In the end, going to Ireland was beyond his strength, so Dublin was brought to him. In Valencia, he has re-created a house that belonged to James Joyce's great-aunts

It is tempting to see Huston as the ruined king Lear, with his daughter Anjelica, who stars in "The Dead," as Cordefia and his son Tony, who wrote the screenplay, as steadfast Edgar. He looks the part. Long ago, his face was eroded into ridges and valleys, sculpted by rain and sun and hard living.

And there are parallels. Sitting rigidly in his wheelchair, he is surrounded by

courtiers. He coughs, and one presses a can of soft drink into his hand. They stand at his back, sit at his side, alert to the smallest question in his eyes. There is particular master: John Huston, the director of "The Maltese Falcon," "Treasure of the Sierra Madre," "The African Queen." "The Asphalt Jungle," "Moulin Rouge." Tony, who spends the day curled in a chair less than a foot away from his father, has rounded up old friends for comfort, including the art director Stephen Grimes, who has worked on 12 other Huston films. Tony

has even badgered the three-time Acade-



Actor looks on as Huston discusses camera angle with director of photography, Fred Murphy

rich, whisky-thick voice booming across

Equatorial Africa with temperatures ris-

ing to 140 degrees says he has never done

anything so intricate, so difficult as "The

Dead," a movie that takes place with an

ensemble of 15 people at a party in a single evening. "It's the difference be-

tween piecework and weaving," he says.

There is no measuring from the begin-

ning of a scene to a new scene. The top

When Schulz-Keil ordered 75,000 feet

of film stock, his supplier insisted he would need 300,000 feet. But Huston is

so confident of his vision that he shoots

sparingly. Huston improvises, and the first angle he chooses dictates the rest.

With a week and a half left to go, he has

spins and never stops,"

and become more perfect tools.

my Award-winning costume designer Dorothy Jeakins out of retirement.

"Is that all right for you, John?" Instead of answering, Huston lurches to his feet and walks to the end of his tether, into the parlor with its amber hardwood floor, to make a quiet suggestion to an actor. Under the silence that falls suddealy upon the stage — it is the first time Huston has been on his feet in days.

If it is tempting to think of John Huston as Lear, it is also inaccurate. He lacks the necessary rage and self-pity. "All the time I was growing up, I couldn't imagine him buying even a tube of toothpaste for himself," says Anjetica Huston. "Taking care of him was a fulltime job even before he was sick. Somewhere along the line he's become more human, more accessible. Now he is gentler and more emotionally generous than he ever was."

"Only because I treat her as an actress rather than a daughter," Huston responds sardonically. He refuses sympa-thy, although he does give one quick sigh that, having seen so much of the world, he will never walk in China or Antarctica. If "The Dead," like "Under the Volcano" and "Prizzi's Honor," has death as its canvas, it is not, he says, "because of the approach of the gray figure. I am not casting lines in expectation of death hauling me in."

Sometimes, in the late afternoons,

spite the fact that he can only work six hours a day. His first cut of the movie will be completed four weeks after the last John Huston gasps for air, racked with the spasms and disbelief of a fish that finds itself stranded on an unexpected day of production, and the film should shore. He seems frail then, bony shoulders twisting under his white silk shirt. open sometime in the antumn. hands trembling. What is surprising is Why does he continue to make movies? "How can he come up with childish enhow strong he seems at other times, his

and line of dialogue?" asks Schulz-Keil. the set. In some bizarre way, as his con-trol over his body is lost, his mind and "Why does a painter keep on paint-ing?" Huston asks. "Painters returing? memory have remained as sharp as ever "Left to their own devices, his doctors The intricate mosaic of "The Dead" is would advise he never leave the hospiroadmapped inside Huston's head. The tal." says Anielica Huston. "But he's no director of "The Roots of Heaven" in

thusiasm for every camera movement

fool. He knows all this keeps him going. It's when he's idle and bored that we have to rush him into intensive care." Testily, Huston waves the idea away. "It's a cliché. I get no immediate satisfac-

tion from directing. It doesn't gratify me in depth. When it's a good picture, it affords me satisfaction but not delight." "You don't get the feeling his infirmity makes a wall," says Dorothy Jeakins. "He's conquered it by personal gallantry toward himself. Instead of quietly going

off to die, how free he is of all the vanities

of daily life." "It's sheer vanity that would keep you from showing yourself in a wheelchair," Huston sports. "I don't give a damn. Someone who prefers to stay home rather shot 57,000 feet and has 80 percent of the movie completed. He is on schedule de- in a wheelchair is useless."

LANGUAGE

Spuds and Spec-Tators.

By William Safire Was, lying on my back, bubble gum wadded in my cheek, a copy of "Sheena, Queen of the Jungle" held before my deticiously shocked eyes, ready to yell the favorite comic-book sound, "Aleseee!" as the muscular maiden pounced on some imsuspecting leopard, when my mother appeared at the doorway to pronounce the awful imprecation: "Lounge lizard!"

This meant I was being told to go out and get some tresh air, or get a job, or do something otherwise ac-tive and edifying. I did not realize it at the time, but lounge lizard was a phrase coined around 1912 to refer not to the merely lazy but to the stingily lascivious: the person being derogated was a young cheapskate who tried to pet in a girl's parlor without first taking her out and springing for a soda and a movie.

lizard won out, especially with the later, second meaning of one who ness, without the overlay of sings the Senate. More to the point, he ness, appeared in such words as said the Reagan administration dillydallier, lotus-enter, goldbrick accord "kirilful and winsome lead."

and, one of my favorite Americanisms, lollygagger.

One phrase that never made it to speechwriter for finning Carter, wide use in the earlier part of the sent that clip along with a life century to denote the slothful note: "I guess Lugar was out to "I young male was couch beetle; however, the use of couch as an attributive noun (a noun modifying another leadership team."

Winsome does not mean "sin mino" any more than mythoms. tive noun (a noun modifying another noun) resurfaced in the 1980s

American Banker as featuring such groups as "the All-City Waitress Band and the World-Famous Couch Potatoes."

Within a few months, William E. Geist was writing in The New York Times about the interweaving of baseball, football, hockey and basketball to form "an almost impenetrable shield of sportscasting and gave definition to the phrase: Those who my to penetrate that shield say that the viewers, sometimes known as couch potatoes, have long since changed from hu-man beings to receiving compo-nents of the broadcasting system." Robert Armstrong, a leader of

the California based group our les The Associated Press in 1982 as (6, 32 300) seeking to assume the omitted as itself by this name, was quo The Associated Press in 1983 as societing to "assuage the guilt of fellow addicts" by gloritying pinlonged TV viewing. He suggested this etymology. Potatoes are inbers. They have many eyes if came to us in a cosmic revelation. Soon an Official Couch Potato hand book was insured by Jack Mings including. MacAsSall Prestores (those addited to sophisticated structuration comedies) and Spec Tates ("your basic drink beer and watch football-hill-you-pass out types"). A ladies annihary was reported formed by 1985, the Couch Tomatoes, and by 1985, the Couch Bi Pinlong out to said to have become me could be said to have become me meric for a stupefied book-take watcher.

WHEN Indiana Sensior Rich springing for a sode and a movie.

Synonymous phrases were parlor

be ranking Republican on the Sensnake and chairwarmer, but the alliteration and z sound in lounge

be circulated a letter to his colleagues recalling his record of constructive service as chairman when hangs out in cocktail lounges. Lazi- the Republicans were in control of

other noun) resurfaced in the 1980s and is now sweeping the dens and rec rooms of America: couch potato.

"The Doo Dah Parade" was described in a Dec. 30, 1980, dispatch from Pasadena, California, in the Noisy is also rooted in the Latin nousea but affects only the ears.) To be fair, winsome does mene

"winning" in the sense of "to win one's affection," but not in the vistorious sense, as in "to win an elec-tion." The old Anglo-Saxon was sum meant "pleasurable, lifting the spirit, giving joy to the beholder," and that is still what the word means today. A ballpark synonyn as Hertzberg suggests, is add the rarely applied to a male.

Lugar can claim that his smile is winsome, which it is, but his leadership cannot be described with that

New York Times Service

ANNOUNCEMENTS ALCOHOLICS ANONYMOUS in English, Poris (doily) 4634 5965, Rome 678 03 20. Netherlands (020) 256057

PERSONALS VIV! MARIA DO CARME & Jose Mo-ria da Gioria & Rodolfo Nininya Jac-gum dea assarted daughters son & dogs, Musa abrigada Tam, THOMAS, DENINIS, PLEASE CALL

MOVING

ALLIED WORLDWIDE MOVING

AS 23 64 COMPAGRE GENERALE 93 21 35 72 FRANKTIE (1) 43 43 23 64

NICE: COMPAGNE GENERALE
93 21 35 72

FRANKTIET
(069) 250066

LONDON AMERIKANS
(001) 953 3636

LONDON AMERIKANS
(01) 953 3636

LONDON AMERIKANS
(01) 684 6411

BIRMINGHAM
(021) 556 7553

USA: ALIED VAN LINES
(0101) 312-681-8100

SWITZERLAND

FROIT ZERLAND

FRANKTIETS on LAKE GENEVA

MONTRELX or in these world fomous
resorts: CRANS-MONTANA, VERBER, VELARS, GELYSTES, CHATEAU-D'OZE, Regions of GSTAAD,
LES DIABLIBETS, LEYSN, JURA +
thermal canter in the Rhose valley
etc. from SF12500. Mortgages 60% or
60% interest.

REVAC S.A.

52 Montb-fillort, CH-1202 GENEVA.
Tel: 022/341540. Teles: 22030

MARTINI TECHNOTRANS - NICE / CANNES Tel: 93.39,43.44, Overseas Moving - Storage - Packing - Air/Sea Shipping, Car/Baggage, Clearance. CONTINEX, Small & medium moves, boggage, cars worldwide. Call Char-le: Pars 42 81 18 81 (near Opera).

REAL ESTATE FOR SALE PARIS & SUBURBS

15th PORTE VERSAILLES, in character building, beautiful duplex, all con-forts, F750,000. AFM 48 24 63 66.

REAL ESTATE MONACO

Principality of Monaco For further details, please contact:

26 bis, Bd Princesse Charlotte MC 98000 MCNACO Tel: 93.50.66.00 - telex 479 417 MC

SWITZERLAND

Switzerland For Foreigners

USA RESIDENTIAL

FOR SALE

SPLENDID 3-ROOM APARTMENT for sole in modern residential building with pool, surrounded by private park-2 badrooms, bothroom, shower room,

A.G.E.D.I.

SWITZERLAND

Lake Geneva, Getaod Valley,
Villars, Verbier, Lugano creas.
Fine residential opartments, villas and
holest ovalidate. Very fracrable terms.
Daily visits. GLOSE FLAN S.A.,
Ave Mon Repcs 24
CH-1005 Lossorne, Switzerland
Tel. (21)22 35 12, Thr. 25 185 MRLIS CH

HOUSTON, TELAS. ENVESTMENT opportunities available in residential properties al depression prices, Phone: 713-852-4947.

X

The Architects of Time

REAL ESTATE TO RENT/SHARE GREAT BRITAIN LONDON LUXURY APARTMENT rooms, 60 sp.m. furnished with beautiful views of Hermanteut. Available year from April 1730/week. Tel-eve mags, 00441-267-6788

LONDON. For the best furnished flut-ond houses. Consult the Specinists Phillips, Key and Levis. Tel-South of Part 325 8111, North of Park 386 9882. Teles 27846 RESIDE G. PARIS AREA FURNISHED

UNIQUE NEAR LEFFEL TOWER DAY - WEEK - MONTH SUPERB EQUIPPED APARTMENTS

Studio - 40 sq.m.
2 rooms - 60 sq.m.
3 rooms - 105 sq.m.
4 rooms - 140 sq.m.
WITH UNIQUE CONDITIONS
INCOUE
INNOUE
UNIQUE
UNIQUE
UNIQUE
UNIQUE
INNOUE
rental systems Don't work CONTACT US NOW FLATOTEL

INTERNATIONAL 14 rue du Theatre, Paris 15th Tel: 45 75 62 20

At home in paris PARTMENTS FOR RENT OR SAU PARIS PROMO

Estate Agent - Property Manager 25 Ave Hache, 75008 Pars. 45 63 25 60

INTERNATIONAL CLASSIFIED REAL ESTATE TO RENT/SHARE REAL ESTATE TO RENT/SHARE PARIS AREA FURNISHED

Embassy Service 8 Ave. de Messico 75008 Paris YOUR REAL ESTATE AGENT IN PARIS 45.62.78.99

MONTMARTRE AVE JUNCT 75 sq.m. opertnerf, just renovated, fully equipped and furnished, 3 rooms, lichem, both. Available April or May flong lease), Passibility of separate 20 sq.m., studio. The opertnerf and studio can be leased to a corporation rather than an individual tenant. Please mail your business cord to Ms Alice Kuo, Francati, 35, rue Tranchet, 75008 Faris. No phone colls please.

IN A FAMOUS BUILDING The Claridge Residence for 1 month or more studies, 2 or 3-room partments are available moving into right awa

TEL: 43 59 67 97 PARIS BEST AREAS Elysees Concorde Short term terricles available from 7 week answards 9 Roe Roycle, 75008 Paris Tel. (1) 42 65 11 99. Telex 640793F. PARIS AREA FURNISHED rosed, Febulous view or garders and Riceson Messern, Longe Iving/demis, longe beforoan/study Longs high equipped kitchen & both, Free March 16 for 7/8 months on longer, Filopo, neferences required, Tel: 42.71 66 50.

NEAR PARC MONTSOURS. Large learny field for large let. 2 neceptions, 3 bedrooms, 2 hedis, tachen, bottonies, color, F8,000 + charges 18,000 + BY OWNER, facing Invalides, 70 sq.m. 2-room appriment, latchen, both + lorge dressing, Bith Boor, lift. F7,000 net. Tel: 45 51 96 06 - 9ast to 1pm.

MAY TO AUG. RUE DESNOUETTE Living + bedroom, 60 sz.m. + 9m Living + bedroom, 60 sq.m. + 9m bolcony, quiet, sun. F4300; 4856 1751 PENTHOUSE, AVE. MONTAIGNE 130 sq.n. + large larroce, Tele-phone: 47 27 97 04 / 42 66 10 05. NBJILLY/BOIS. Lovely living, dising badroom, large bolcony, well for nished, sunny, 17,500, 47 20 37 99

4th MARAIS. Lovely living, bedroom modern listchen and bath, very well decorated, garage. F7,000. 4720 3799 16th POMPE Calm, light, 3 rooms, 80 sa.m., equipped birther, both. FP,500 charges indiaded. 45 72 10 44.

15TH Beautiful apartment, 3 rooms, of comforts, renovated. F8,000 net Short term possible. Tel 47 54 95 95 STUDIO TO 4 ROOMS, Week, month year rates. Luxembourg B. Montipar nasse. No agency fees. 4325 3507. ER'S high class furnished 2 bed-n apartment, garage: 42 57 94 14

los repres

REAL ESTATE TO RENT/SHARE PARIS AREA UNIFURNISHED BEAUTIFUE, ATELIER duplex in Mont-pernasse, large terrace, all comforts, 80 sq. at, F10,000/month, Avoidable in maid April, weeking possible. Tel. morr-ings 46 33 14 33/message 47 53 02 56

6TH LUCEMBOURG, sturning, origi-nal renovated duplex, 2 receptions, 4 bedrooms, 3 boths, equipped latchen, surny, F16,000: 47,20,37,99 6TH BONAPARTE. Very charming liv-ing, bedroom, study, surny, quiet, view. F6,500. 47 20 37 99

EMPLOYMENT EXECUTIVE POSITIONS AVAILABLE

ASSISTANT SALES MANAGER Engineer with experinece in oil industry SALES LOCATION - WEST AFRICA Call HIGH TECH

Paris (1) 42.56.28.72 EXECUTIVES AVAILABLE MARKETING / SALES MANAGER British, 31, English, Arabic, Italian, some French, MPA-USA, BSC-UK, free

some Trends, increases, account to travel, international background to travel, international background and international experience. Center in Milano. Contact of a M. Heinric via Caracciolo 95-1, 20155 MBa Italy. The 322007 KHEST I. GENERAL POSITIONS AVAILABLE

JAPANESE solesgiri needed. Appl lunchtme. EDEN, 3 rue du Helder (Opera) Paris 9; tel; 48.24.96.62.

SALESPESON wanted to sell fasten-ers factows / ratif made and shipped from Taiwan. Compensation would be on a 5% commission bass. Good position for a healthy, retired person. Write to K.C. Grand Corp., 1001 Shary Cr., Unit 13, Concord, CA 94518, U.S.A. PARIS BASED AMERICAN investment bunker/start stock broker seeks regis-tered representative with proven infil production essential. Please send reaume to: Box 4430, France 92521 Neuilly Cedex, France DOMESTIC POSITIONS WANTED

EMPLOYMENT

GENERAL POSITIONS AVAILABLE

HOUSINGEPEN / Companion/ Typis British woman (niddle years) Bereits, widely travelled, non-smaler, non-driver words civilised job, south of France with someone professionally engaged in the arts. Live in separate-ty. To receive no less than 25 sterling /day. Tel: (323/29780 UK.

2 FRENCHMEN SEEK permanent joi as cook, buffer, complete housekeep ing. Excellent references. Hove team-grant cords. Box 4453, Heraid Tri-bune, 92521 Neully Cedex, France AM AMERICAN BABYSTITER, exp rienced, moture. Poris 43 80 15 94 **AUTO RENTALS**

RENT IN PARIS WEBCEND F480 - 8 DAYS F2200 Inlimited mileogu. DERGI 45 87 27 Q4

AUTO SHIPPING RANSCAR 17 ov de Friedland, 75008 Paris, Tel 4225 6444, Nice 9321 3550 Antworp 233 9985 Connes 9339 4344

COSMETIC SURGERY for men and women including nose refinement, ear correction, breast enforcement or reduction, foce life, eyebong eyebla rection, hair transplanting. The Pountney Clinic, 2026 Science Road, Houselow, West Landon, TW3 3IS. Tel: 01-570 9658.

LEGAL SERVICES US LAWYER, FORMER JUDGE, periora marters onywhere. William Shef-field, 31 Middle Booth Rd., Madison, CT 06443 USA. Tel: (203) 245-0234 **AUTOS TAX FREE** 2ND PASSPORT and your address in South America - full support firrough W/C BOM 6567 - London W/CIN 370 FOR MORE THAN 12 YEARS

TRANSCO COLLEGES & You free sales - shipping - insertince. We stock over 300 brand new cars. European - Jopeness - American, Very compositive priors - has delivery. Send for free multicolor catalogue: TRANSCON.V., 95 NOORDELAAN, 2020 ANTWEEP, SEGILIAN 11 322/542 6240 Tx 35207 Trans b UNIVERSITIES

A KENSINGTON DEGREE CAN UNLOCK YOUR EARNING POWER : Kaseington University offers:
BA, BS, MA, MS, PD, D,
EDECUTIVE MILA.
Registered with Colfornia
Constitute of Box Seamons:
NO-CLASSROUM ATTENDANCE
FOR REE Brodunts:
KENSINGTON UNIVERSITY
124 S. SARE, ST, DET, 51
GLENDALE, CA 97205 USA **EXCHANGE YOUR CAR** FOR A NEW MERCEDES DIRECT FACTORY SALES FREE European transport dossies and foreigners velcon TRANSTAR ATTENS Kallineis St.41, tel. 9232548, teles: 21.074

PACIFIC WESTERN UNIVERSITY, For free evolution send detailed resume to: 600 N. Sepulvedo Blyd., Dept. 23-A, Los Angeles, CA 90049. HOTELS

new TAX-FREE us Coditios + Mercedes Range Rover + Bicase Castoros + Trons Am cad other suches some day registration possi **ICZKOVITS** ITALY Claridenstrasse 36, CH-8027 Zurich Tel: 01/202 76 10. Telen: 815915. HEALTH SERVICES

Venice *** La Fenice et des Artists 5 min, wolk San Morco. All conforts INTIMATE ATMOSPHERE Tel: (39-41) 5232333 Th: 417450

BOOKS THE BOOKS EXPLAIN the way of the in Telesa, Write H. Okayon, P.O. Box 15391, Ryede 11444, Soud Analis. LOW COST FLIGHTS

ACCESS VOYAGES One Way Round In F990 7380 E 1790 7360 F1950 F1800 F1800 F1800 F1295 F1800 F1440 F1380 Torosto
Colgary
Yoncosver
Mexico
Rio de Jameiro
Bounos Aires
Tobiti

Tobic and more destinations — 15% decount on 1st & bossess des PAMS tals (1) 42 21 46 94 6 rue Pierre Lacost, 75001 Fojis Mehro – 158 Chatalet Las Halles (Lc. 175.111)

ROR CHAIY \$149, FUGHT PACKAGE for 10 US class + Montred Coston your US travel agent with 20-years supervisor; US, 103 nur La Basie, Paris 8 (60ft, Ch. Bysses), 425 9270.

Pages 4 FOR MORE

CLASSIFIEDS

International Business Message Center



OPPORTUNITIES OFFSHORE & UK LTD COMPANIES

ITD COMPANIES
Incorporation and stonogeneral in UK, life of Mon, Turks, Anguilla, Chormel Islands, Partona, Liberio, Gibrother and state of from the original and the original a

ESTABLISHED COMPANY FOR SALE IN THAILAND OPERATING OIL & GAS SERVICES CO. AND BNOUSTRIAL ESTATE

DIPLOMATIC STATUS, I*-increry considers, presingous awards, diplomatic postports and related items. Send name and address for free information. Softwarts 1st, Apactado, 193, P. 2676 Octivelas Cedes, Lisbon-Portugal ducated adjacent to an international deep water part. Included in the exacts is 50,000 sg.ft. of wavefouses and industrial buildings plus 200,000 sg.ft. of open storage and pipe yord facilities, ideally suitable for labor situative manufacturing due to low casts and governments. DISTRIBUTORS WANTED, European market, madical & health field, lestred-ible, proven Up product. No compari-son. Advance Marketing Productions Ltd. Tel 01 402 7001 London. FOR SALE POODSTUFFS and raw materials. Over 25-160 items. Please state exact need for our return offer. Tx Geneva 422442 attn BW, est. 4675

BUSINESS BUSINESS OPPORTUNITIES OPPORTUNITIES GLIARANTEED INVERNATIONAL INVESTMENT OPPORTURATY of a Surfi distine. Portagode in a high yield low righ range of investment projects. Sur Life International Corporation to offering investments in units as low as US\$1,250 for Condo projects, fost food, auto revinds, receptional choicins, read explore and high interest typed mort-goges with - monthly, quarterly or companies interest 15% to 24%. — Confidential investment system. For complete information contact: Sun Life International Corporation, P.O. Box 8501112, Penana 5. Tel. SUP 697203, 691403. The 2141 Suriém. Or Costa Box Lose 2000 Costa Box, Tel. (506) 572233 The: 2811 Suisco 2ND PASSPORT 63 countries, GM 26 Kleomenou, 106 75 Athers Greek **BUSINESS SERVICES**

BEAUTIFUL PEOPLE UNLIMITED INC. OFFSHORE COMPANIES

Service Representatives Needed Worldwide PASSPORTS/IMM/GRATION world's largest selection of REPORTS. Over 50 countries grodysed, instant response & advises affered. Act now SPECAL REPORTS, Dept 31, 1 Mortisers Street London WI Bright of the CONTY of the Autor Company Formation Ltd., 19 Real Rd. Douglas, Isla of Man. Tel (1624) 26971. Tix 627691 SPIVAG Tel (IDSA) 20071. The CUT OF SYNACS

US OPPOINTUNITY. A CHAIN of Franch restourants, wine bor & shop, have the 5 best CA mail locations and expanding nationwise. If you are interested in investing, management, marger, joint venture. Write. Vin De France Inc., 131 North La Scienega, Soint Hill, Las Angeles, CA 00048.

CHPSHORE COMBANNES Company formational UK Offshore (with barrer shores). Liberial Planarael Nevel USA (all stated) Bank accounts opened Mol, hield Feduciny Services (IPCR, 17 Wedespate St. London El 7HP Tel-0127 (200. The 989911 G.)

DBFLOMATIC STATUS, Panaray con-TAX SERVICES

US/RESNICH income tox returns pre-pared by American tox specialist. 71 year in Paris. Mr Sigman, 47 66 92 1: OFFICES FOR RENT **EXCEPTIONAL AREA** 1000 M. EIFFEL TOWER EQUIPPED OFFICES

F2500+tax/mth This price includes,

- Direct phone line

- 5 hrs use of confimence room

- Use of director's office

To larger more EUROPEAN OFFICE EXPRESS 14 rue du Theatre, Pans 15th Tel: 45 75 62 20

Imprime par Offprint, 73 rue de l'Evangile, 75018 Paris.

OFFICE SERVICES **ACTE: 50 BUSINESS** CENTERS IN EUROPE Fully equipped offices to rent. Domiciliation, mail, telex, fax.

PARIS Tel (1) 40.54,53,54, Tlx 642187 GENERA Tal: (22) 321167, The 289159 CH RESEARCG (FRG) Tel (49) 76 13 19030 Entectate BRUSSELS Tel: (322) 6402485 Th: 65444 B PARK

RECY CHAMPS BLYSES RANISHED **OFFICES** YERY HIGH CLASS
AIR CONDITIONED
CONFERENCE ROOM
SECRETARIAT - TELEX, FAX
LE SATELLITE, 8 rue Copernix
75116 Paris. Talx(1) 4727 1559 FINANCIAL

INVESTMENTS

Are You Looking for a

BROKER ?

flering the full range of services on U.K. and U.S. havres exchang overing daily reports, program lst for our "Five Star Service" Bailey Shatkin Ltd

(Established 1919) World Trade Center about House, London E1 9UN Tel: (441) 481.3225 Telefon (441) 481.4389 Ths: (UK) 263303 Call tall free Switzerland: 04605.0123 France. 19.05.908311 Halland, 05.022.7000 Gernterry, 0130.6464 Wir sprechen deutsch On parte françois Wij spreken Nederland

Place Your Classified Ad Quickly and Easily in the international Herald Tribune

By Phone: Call your local B1T representative with your test. You will be informed of the cost and once prepayment is made your od will appear within 48 house.

Cost: The basic rate is \$12.00 per five per day + local taxes. There are 25 inters, signs and spring and 15 in the following lines. Minimum space is 2 lines. No abbreviations accepted.

Credit Conds: American Express, Diner's Cuto, Eurocard, Master Card, Access and Visc.

(1) 46.37.93.85. Tx.: 613995. EUROPE Amsterdam: 26-36-15. The 13133. Fore 267955 Affects: 361-8397/360-2421. Tal: 218344 BS GR. Bryanston: 706 14 08. Tx.; 4 21599.

HEAD OFFICE

Inc. 21934 BD GK. Sergen (Norwoy); (DS) 134010. Tx.: 4275 PUBLS N Face 135508. Irussels: 343-1899. Tx.: 23722 IMAA B. 12: 45722 WRA B.
Copenhagen: 42 93 25.
Frankfirst: (069) 72-67-55.
Tx. 416721 HrT D.
Fox: 727-310.
Hebinkit: 647412.
Tx.: 12-2814 SIGCOSF.
Fox: 647948.
https://doi.org/10.1487007 tembol: (1)1452887. Tx:: 26388 ODV/1 TR.

Tiz. 26389 COV/TR. Lovianne: 29-58-94. Tiz. 25722 GVT CH. Lishon: 67-27-93/66-95-44. Tiz. 16791 YOK P. London: (01) 836-4802. Tiz. 262009. Machid: 455-2891/455-3306. Tiz. 2777 SI IVA F. TX. 47747 SUYA E. Miero: 546.25.73. Tx.: 310880 PP(vi) L Romer 679-3437, Tx.: 620500 PPCSRA. Sweden: Contact Paris. Tel Aviv: 03-455 559. Tx. 341118 BOTY & EXT 6376

UNITED STATES New York: (212,752,3890, Toli frae, (800) 572,7212, Tx.: 427,175. Los Angeles: (818) 584-0898. San Francisco: (415) 362-6339. Tx.1.510 100 8003. SOUTH APRICA

LATIN AMERICA Bogote: 236 9747 - 256 6096. Bosos Aires: 41 40 31 (cht.312) Tx. 21930 ALPCH AR Corocoe: 262 20 43.
Tu: 24508 SEFRI VC.
Googyaquil: 522 615.
Tx: 43361 PGCGYE. Tax. 43361 P.C.OTE.
Linux 417 852.
Tax. 20469 GYDSA.
Missciot. 535 21 64.
Tax. 1774349.
Pursuance. 59 09 75.
Tax. 2206 CHARTE PA.
Semilogies. 6961 555.
Tax. 440001 ITTPSCZ.

MIDDLE SAST namous 62 44 30. Tx. 2227 MKJO. TX. 8202 BAHTAG BN. miruh341 457/8/9. Tx: 42244 LE

Tau 1911 92313 117AS UN

Txs 4984. Debai: 224161. Tx: 45884 PANCO EM Jedduls, 667-1509, Tx: 403381 COLORS, Koressit: 538 61 52; Ts., 22761 GCARD KT.-2man: 70 41 86 Tz. 3729.

Berghelt 28-32-44. IF The 20666 FALAPINE I Hong Keng: ISI-360055. Jan 611/04-FH. Fee: 500827. Manifer 817 07-9. Table 66112 MM FN. Securit 735 87 73.

FAR LAST

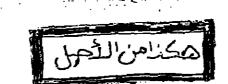
Ter 78504 (NEMER). Ter 78504 (NEMER). Singaponi (AS) 223-6478/7. Ter 28742. Calwan: 752-44-25/9. Ter 11887. Teltye: 504-1925, Tr.: 2546 Fore 5951709. AUSTRALIA Mathematics 690 6213. Tic. 29182. Systems, 929 56 39, 957 43 20-Partic. 328 98 33. Tic. 94382 AX

addingson, Ore 369 34 52. NEW ZEALAND - 775 120.



BLOME Tüsseldorf Königsallor 31. Tel. (211/37372)

Chronograph, automatic, Steel and 18K Gold, water resistant 30 m.



TO THE PARTY IS NOT THE The officers and not rules out Pretoria's

Pulled stall that the state

Party Rebels List Demana Br William Clarker-IOHANNESBU KU -Name Party Dienk व्यक्तात् ले इ.च.५ राज*े ॥* in water Process Boths government Monday that Blade F South Africa the 1990s imas in position of the second

madalineus de la com profined less to the less to t Becampage for the New York mentary electric es misarceieine National Party (2) हुन्ती पंतर के अधिक के अपने किया है जिल्ला rison" for a personal State St. abdeby americans museum mos ceie: http://www. aplicit bleepress (1994) field by any of the things of enfidates.

In order to mine a training to the declared testing testing to the declared testing te lelified one or an Control of the second ONT LOSS OF THE SECOND Tablus per . . The independent as a second tall the ionner Same and passador to British 1/2 ALL Brother Francis saler Lategan a stragger - North a Party supporter

for a Pacliament (20) horince university to a second stosch the intelligence was Almana nanaaning-All three have reason of the a hothe's rolong National Trainthe most serious specialism. mais solden to the Ta s formed in 1245 ben jamed by the leading of the leading E decision of version comes of and some promises a first

makes in 2 2/(3-2-2 gain what is viewe. हेब्द वी गर्दा _{भारत}. The leaders of the new manager than movement declared to a series of the new manager to a ser me is pass when you made milaterally pursue by said that all printed retuc See REBEL Page 6

turope Bra Cases Double Ever By Richard B--to fire Tomas Tom MARIS _A corp. sect a. :mail in Elifore and in the Jean-Paul Excended in the Jean-Paul Excende is the heads the ATD lamer Hospital in Pane

LATE NEWS ^{lol}and, Vatican doser to Ties WARSAW (AP) — Carrier Reference State Princer Said Also day (Ap) — Carrier Reference Said Also day (Ap) — Carrier Reference Said Also day (Ap) — Carrier Reference Said Also day (Ap) — Carrier Said Also day (Ap) — Carrier Said Also day (Ap) — Carrier Said Said Also day (Ap) — Carrier Said Said Said Carrier Said Carri resident and dispersion of dispersions.

Control Glemp, remarks to the dispersion of d

REDE TODAY DEBUL NEWS And basel committee and a special state and a for U.S. campuses. Page 3. MESS FINANCE billy percent panks can parks of parks